

**CHILDREN'S ADVOCACY CENTER
OF SW FLORIDA, INC.**

**FINANCIAL STATEMENTS AND SCHEDULES
REQUIRED BY THE UNIFORM
GUIDANCE TOGETHER WITH
REPORTS OF INDEPENDENT AUDITOR**

**YEAR ENDED
JUNE 30, 2020**

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INTEGRITY.....KNOWLEDGE.....SERVICE.....COMMITMENT®

Independent Auditor's Report

To the Board of Directors
Children's Advocacy Center of SW Florida, Inc.
Fort Myers, Florida

We have audited the accompanying financial statements of Children's Advocacy Center of SW Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 and Chapter 10.650, Rules of the Auditor General of the State Of Florida. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

Affiliations

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significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Children's Advocacy Center of SW Florida, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

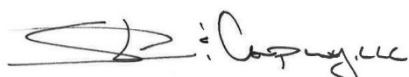
Other Matters

Other 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*, the Florida Single Audit Act (Florida Statute 215.97) and Chapter 10.650 of the Rules of the Auditor General of the State of Florida, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 29, 2021, on our consideration of Children's Advocacy Center of SW Florida, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Children's Advocacy Center of SW Florida, Inc.'s internal control over financial reporting and compliance.



STROEMER & COMPANY, LLC

Fort Myers, Florida

March 29, 2021

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2020

	<u>Amount</u>
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 1,719,942
Beneficial interest in assets held by others	11,354
Accounts receivable	416
Grants receivable	389,185
Other receivables	45,221
Prepaid expenses	<u>67,274</u>
TOTAL CURRENT ASSETS	2,233,392
PROPERTY AND EQUIPMENT, NET	<u>2,446,500</u>
TOTAL ASSETS	<u>\$ 4,679,892</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Current portion of long-term debt	\$ 104,878
Accounts payable	9,627
Accrued payroll	68,973
Accrued compensated absences	123,114
Other accrued liabilities	48,371
Deferred revenue	10,730
Refundable advance	<u>599,714</u>
TOTAL CURRENT LIABILITIES	965,407
LONG-TERM DEBT, LESS CURRENT PORTION	<u>326,364</u>
TOTAL LIABILITIES	<u>1,291,771</u>
NET ASSETS	
Net assets without donor restrictions	
Undesignated	3,377,006
Board designated - Chaipel Memorial	<u>11,115</u>
Total net assets without donor restrictions	3,388,121
Net assets with donor restrictions	<u>-</u>
TOTAL NET ASSETS	<u>3,388,121</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,679,892</u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
STATEMENT OF ACTIVITIES
Year ended June 30, 2020

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
CHANGES IN NET ASSETS			
Grant revenue	\$ -	\$ 2,305,252	\$ 2,305,252
Other contracts, client and agency fees	592,051	-	592,051
Contributions	509,770	-	509,770
United Way	356,922	-	356,922
Fundraising - gross	34,130	-	34,130
Investment income	4,859	-	4,859
TOTAL OPERATING SUPPORT AND REVENUE	1,497,732	2,305,252	3,802,984
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions - grants and contracts	2,305,252	(2,305,252)	-
TOTAL	3,802,984	-	3,802,984
OPERATING EXPENSES			
Program services	3,092,632	-	3,092,632
Supporting services	483,601	-	483,601
TOTAL EXPENSES	3,576,233	-	3,576,233
CHANGE IN TOTAL NET ASSETS	226,751	-	226,751
NET ASSETS, BEGINNING OF YEAR	3,161,370	-	3,161,370
NET ASSETS, END OF YEAR	<u>\$ 3,388,121</u>	<u>\$ -</u>	<u>\$ 3,388,121</u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended June 30, 2020

	Program Services			
	Child			Total
	Protection Team	Family Alliance	Prevention	
Advertising	\$ 576	\$ 128	\$ 68	\$ 772
Attorney	26,350	-	-	26,350
Audit	6,480	3,600	1,920	12,000
Background fees	631	266	1,525	2,422
Bank charges	42	-	-	42
Computer	39,987	16,438	12,859	69,284
Developmental grants	-	-	2,196	2,196
Dues & subscriptions	2,991	3,324	618	6,933
Equipment lease	19,640	10,911	5,819	36,370
Field trips - program	-	-	1,804	1,804
Fringe benefits	199,195	96,393	55,630	351,218
Fundraising expense	-	-	32	32
Furniture/equipment	3,100	1,336	507	4,943
Insurance	29,086	16,159	8,618	53,863
Interest expense	10,671	5,928	3,162	19,761
Janitorial	13,373	7,429	3,962	24,764
Maintenance	12,756	7,087	3,780	23,623
Office expense	6,273	3,923	2,906	13,102
Payroll taxes	89,254	38,938	23,851	152,043
Pension plan fees	1,188	672	379	2,239
Postage/shipping	1,258	699	373	2,330
Printing	3,310	1,839	981	6,130
Professional fees	235	1,698	-	1,933
Salaries	1,193,183	518,540	317,789	2,029,512
Security	724	402	214	1,340
Supplies	17,377	9,654	5,149	32,180
Taxes & licenses	1,845	1,025	547	3,417
Telephone	16,558	9,199	4,906	30,663
Training & education	28	16	8	52
Transcription	11,886	-	-	11,886
Translation	1,334	-	-	1,334
Travel & conferences	12,617	16,262	3,192	32,071
Utilities	15,404	8,558	8,173	32,135
Waste disposal	280	-	-	280
X-ray & lab	1,773	-	-	1,773
TOTAL				
EXPENSES BEFORE				
DEPRECIATION	1,739,405	780,424	470,968	2,990,797
Depreciation	55,251	30,334	16,250	101,835
TOTAL EXPENSES	<u>\$ 1,794,656</u>	<u>\$ 810,758</u>	<u>\$ 487,218</u>	<u>\$ 3,092,632</u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
Year ended June 30, 2020

	<u>Supporting Services</u>			Total Expenses
	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>	
Advertising	\$ -	\$ 80	\$ 80	\$ 852
Attorney	-	-	-	26,350
Audit	-	-	-	12,000
Background fees	45	5	50	2,472
Bank charges	4,495	-	4,495	4,537
Computer	-	-	-	69,284
Developmental grants	-	539	539	2,735
Dues & subscriptions	-	47	47	6,980
Equipment lease	1,925	192	2,117	38,487
Field trips - program	-	-	-	1,804
Fringe benefits	48,874	17,411	66,285	417,503
Fundraising expense	-	1,395	1,395	1,427
Furniture/equipment	3,397	-	3,397	8,340
Insurance	2,850	285	3,135	56,998
Interest expense	-	-	-	19,761
Janitorial	1,311	131	1,442	26,206
Maintenance	1,249	125	1,374	24,997
Office expense	2,986	3,858	6,844	19,946
Payroll taxes	20,758	4,525	25,283	177,326
Pension plan fees	-	-	-	2,239
Postage/shipping	122	12	134	2,464
Printing	325	32	357	6,487
Professional fees	-	-	-	1,933
Salaries	285,560	70,012	355,572	2,385,084
Security	72	7	79	1,419
Supplies	1,703	170	1,873	34,053
Licenses & taxes	180	18	198	3,615
Telephone	1,623	162	1,785	32,448
Training & education	3	-	3	55
Transcription	-	-	-	11,886
Translation	-	-	-	1,334
Travel & conferences	531	85	616	32,687
Utilities	-	-	-	32,135
Waste disposal	-	-	-	280
X-ray & lab	-	-	-	1,773
TOTAL				
EXPENSES BEFORE				
DEPRECIATION	378,009	99,091	477,100	3,467,897
Depreciation	5,417	1,084	6,501	108,336
TOTAL EXPENSES	<u>\$ 383,426</u>	<u>\$ 100,175</u>	<u>\$ 483,601</u>	<u>\$ 3,576,233</u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
STATEMENT OF CASH FLOWS
Year ended June 30, 2020

	<u>Amount</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from grants	\$ 2,129,970
Cash received from other contracts, client and agency fees	613,279
Cash received from contributions	509,770
Cash received from United Way	356,922
Cash received from fundraising	34,130
Interest income received	5,099
Cash paid to suppliers and employees	(3,409,749)
Interest paid	<u>(19,761)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	219,660
CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of property and equipment	<u>(8,497)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(8,497)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayments on long-term debt	(108,164)
Proceeds from refundable advance	<u>599,714</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>491,550</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	702,713
Cash and cash equivalents, beginning of year	<u>1,017,229</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 1,719,942</u></u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
STATEMENT OF CASH FLOWS, CONTINUED
Year ended June 30, 2020

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**RECONCILIATION OF CHANGE IN TOTAL NET ASSETS TO
NET CASH PROVIDED BY OPERATING ACTIVITIES**

	<u>Amount</u>
Change in total net assets	\$ 226,751
Adjustments to reconcile change in total net assets to net cash provided by operating activities:	
Depreciation	108,336
Unrealized losses	240
(Increase)/decrease in assets:	
Accounts receivable	294
Grants receivable	(175,282)
Other receivables	20,934
Prepaid expenses	7,683
Increase/(decrease) in liabilities:	
Accounts payable	(23,971)
Accrued payroll	20,997
Accrued compensated absences	28,820
Other accrued liabilities	<u>4,858</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 219,660</u></u>

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and nature of operations

Children's Advocacy Center of SW Florida, Inc. (the "Organization") is a nonprofit organization established under the laws of Florida on February 22, 1984 to improve the lives of children and their families in southwest Florida through a coordinated response to child abuse and neglect.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The accounting and reporting policies of the Organization are in accordance with the accounting standards issued by the Financial Accounting Standards Board ("FASB") in the Accounting Standards Codification ("ASC").

Financial statement presentation

The Organization adheres to the requirements of the "Not-For-Profit Entities" topic of the FASB ASC. The topic requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Beneficial interest in assets held by others

Beneficial interest in assets held by others are investments in marketable securities held by the Southwest Florida Community Foundation, Inc. They are reported at their fair values in the statement of financial position. Unrealized gains or losses are included in the change of net assets in the statement of activities.

The fair value of the assets with significant observable inputs is determined by the community foundation and is based on the Organizations' investment in their general endowment fund.

Receivables

Accounts, grants and other receivables are delinquent when they are past due. Management has reviewed accounts, grants, and other receivables at June 30, 2020 and considers them fully collectible; therefore, management has not established an allowance for uncollectible accounts.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Contributions

The Organization accounts for its contributions in accordance with the "Not-For-Profit Entities" topic of the FASB ASC. In accordance with this topic, contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

Statement of cash flows

For purposes of reporting cash flows, the Organization considers only highly liquid investments held for operations and purchased with an original maturity of three months or less to be cash equivalents. It does not consider highly liquid cash equivalents held for investment (non-operating) purposes in reporting cash flows.

Concentrations

The Organization receives a substantial portion of its support and revenue primarily from federal, state and local grants. If a significant reduction in the level of funding were to occur, it could have an adverse effect on the Organization's programs.

Recognition of donor restrictions

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, or when the purpose of the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Concentration of credit risk

The Organization maintains its cash accounts in financial institutions, which, at times, may exceed federally-insured limits. The Organization has not experienced any economic losses on such accounts and believes it is not exposed to any significant credit risk regarding its cash and cash equivalent balances.

Property and equipment

Property and equipment is recorded at cost, or if donated, at fair market value on the date of donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Property and equipment, continued

restrictions regarding their use and contributions of cash that must be used to acquire furniture and equipment are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts and any gain or loss from disposition is reported on the statement of activities. The Organization's capitalization policy provides that any additions and capital improvements with a cost or donated value of \$1,000 or more and a useful life of greater than one year be capitalized.

Impairment of long-lived assets

The Organization adheres to the "Property, Plant and Equipment" topic of the FASB ASC to account for the impairment of long-lived assets. This topic requires, among other things, that entities identify events or changes in circumstances which indicate that the carrying amount of an asset may not be recoverable.

There was no effect on the Organization's financial statements resulting from this topic for the year ended June 30, 2020.

Functional expenses

The Organization allocates its expenses on a functional basis among its various program and supporting services. Expenses that can be identified with a specific program service are allocated directly according to their natural expenditure classification. Other expenses common to several functions are allocated by various statistical bases.

Fair value of financial instruments

The FASB ASC topic "Financial Instruments" clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fair value of financial instruments, continued

additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

The Organization's financial instruments consist of cash and cash equivalents, receivables, beneficial interest in assets held by others, prepaids, payables, accrued liabilities and deferred revenue. The Organization estimates that the fair values of all financial instruments do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position.

Income taxes

The Internal Revenue Services has determined that the Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is a not-for-profit Florida corporation and therefore is not subject to state income taxes. The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Organization reports no unrelated business taxable income; however, such status is subject to final determination upon examination of the related tax returns by the appropriate taxing authorities.

The Organization's tax filings are subject to audit by various taxing authorities. Certain income tax returns filed by the Organization remain open to examination by these government agencies. The Organization follows ASC Topic 740, "Income Taxes" in accounting for uncertain tax positions. The Organization has evaluated its tax positions and any estimates utilized in its tax returns, and concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Interest and penalties associated with uncertain tax positions will be recognized in income tax expense, if required.

Management estimates

The preparation of financial statements in accordance 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Donated materials and services

Donated land, buildings, equipment, investments, and other non-cash donations are recorded as contributions at their fair market value at their date of donation. The Organization reports the donations as net assets without donor restrictions, unless explicit donor stipulations specify how the donated assets must be used.

Donated services that do not require specialized skills or enhance nonfinancial assets are not recorded in the accompanying financial statements because no objective basis is available to measure the value of such services. A substantial number of volunteers have donated significant amounts of their time to the Organization's program services and its fundraising campaigns, the value of which is not recorded in the accompanying financial statements.

Advertising costs

Advertising costs are expensed as incurred. During the year ended June 30, 2020, costs related to advertising were \$852.

Deferred revenue

Funds received for specific activities are deferred until such time as the activity occurs.

Compensated absences

The Organization accrues a liability for compensated absences. The amount accrued is recorded based on the total employee's accrued paid time off (PTO) at year end.

Revenue recognition

Revenue from Exchange Transactions: The Organization recognizes revenue from these types of transactions in accordance with FASB Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Revenue streams that are included in the statement of activities for the year ending June 30, 2020 with ASU 2014-09 include:

Fundraising - The Organization conducts special events in which a portion of the proceeds paid by a donor represents payment for the direct cost of the benefits

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Revenue recognition, continued

received by the donor at the event - the exchange component, and a portion represents a contribution to the Organization. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of the benefit is measured at cost to the Organization. The contribution component is the excess of the gross proceeds over the fair value of the benefit received by the donor. The direct costs of the special event are recorded as direct donor benefits in the statement of activities. The performance obligation is the delivery of the event. The event fee is set by the Organization. FASB ASU 2014-09 requires the Organization allocate the transaction price to the performance obligations. As such, the Organization presents in the notes to the financial statements the exchange and contribution components of the gross proceeds from special events. Special event fees collected by the Organization in advance of its delivery are initially recognized as deferred revenue and recognized as special event revenue after the delivery of the event. For special event fees received before year-end for an event that will occur after year-end, the Organization follows AICPA guidance where the inherent contribution is conditioned on the event taking place and is therefore treated as deferred revenue along with the exchange component.

Revenue from Non-Exchange Transactions: The Organization recognizes revenue from these types of transactions in accordance with FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU 2018-08 applies to non-exchange transactions. The Organization records the following non-exchange transaction revenue in its statement of activities for the year ending June 30, 2020:

Contributions - Revenue from contributions is recognized at the time the contribution is made.

Grant revenue - Revenue from grants is recognized pro-ratably over the grant period as reimbursements are requested and barriers are met.

United Way - Revenue from United Way contracts is recognized pro-ratably over the grant period.

Other contracts, client and agency fees - Revenue from other contracts, client agency fees is recognized pro-ratably over the contract period as reimbursements are requested and barriers are met.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Recently issued accounting standards

Revenue from Contracts with Customers (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Results for reporting the year June 30, 2020 are presented under FASB ASC Topic 606. The ASU has been applied retrospectively with no effect on net assets or previously issued financial statements.

The Organization also adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard update is meant to assist not-for-profit entities evaluate whether transactions should be accounted for as non-exchange transactions (contributions) or as exchange contributions. Further, the standard clarifies how organizations determine whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value, the transaction is considered an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the resource provider, the transfer is considered a non-exchange transaction and is treated as a contribution. ASU 2018-08 makes it clear that the value received by the general public is not considered commensurate value received by the resource provider. Results for the year ending June 30, 2020 are presented under FASB ASU 2018-08. There was no material impact to the June 30, 2019 financial statements as a result of adoption.

NOTE B - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	<u>Amount</u>
Cash and cash equivalents	\$ 1,719,942
Beneficial interest in assets held by others	11,354
Accounts receivable	416
Grants receivable	389,185
Other receivables	<u>45,221</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,166,118</u>

NOTE B - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS, CONTINUED

The Organization manages its financial assets in accordance with the "Not-For-Profit Entities" topic of the FASB ASC. This topic requires that the Organization maintains sufficient resources to meet the responsibilities of its donors. Therefore financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE C - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Southwest Florida Community Foundation, Inc. ("Southwest") maintains an agency endowment fund (the "Children's Advocacy Center of SW Florida Fund"). The agency endowment fund is not designated and therefore recorded on the statement of financial position of the Organization. During the year ended June 30, 2020, accumulated interest, market fluctuations, and fees have resulted in net changes totaling (\$240). As of June 30, 2020, the balance of the fund was \$11,354.

NOTE D - GRANTS RECEIVABLE

Grants receivable as of June 30, 2020 consists of the following:

	<u>Amount</u>
Social Services Block Grant (CPX8B)	\$ 216,116
Florida Network of Children's Advocacy Centers	82,816
Crime Victim Assistance (VOCA-2018-00296)	75,388
Promoting Safe and Stable Families (BBQ02)	9,025
Medical Services for Abused and Neglected Children (CSBFM)	5,840
	<u>\$ 389,185</u>

NOTE E - OTHER RECEIVABLES

Other receivables as of June 30, 2020 consists of the following:

	<u>Amount</u>
Lee, Charlotte and Hendry County Medical Exams	\$ 18,250
Lee County Partnering for Results	15,321
Crimes Compensation	11,000
Other	650
	<u>\$ 45,221</u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2020 consists of the following:

	<u>Amount</u>
Building and land	\$ 2,018,291
Leasehold improvements	1,253,432
Furniture and equipment	<u>315,571</u>
	3,587,294
Accumulated depreciation	<u>(1,140,794)</u>
	<u><u>\$ 2,446,500</u></u>

Depreciation expense for the year ended June 30, 2020 was \$108,336.

NOTE G - LONG-TERM DEBT

	<u>Amount</u>
Mortgage payable to a third party, collateralized by building, monthly interest and principal payments of \$9,793, with interest at 3.25% until May 2024.	<u>\$ 431,242</u>

Future principal payments for outstanding long-term debt are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 104,878
2022	108,387
2023	112,013
2024	<u>105,964</u>
	431,242
Less: current portion	<u>(104,878)</u>
Long-term portion	<u><u>\$ 326,364</u></u>

Interest expense for the year ended June 30, 2020 was \$19,761.

NOTE H - REFUNDABLE ADVANCE

As a result of the Covid-19 pandemic, the Organization applied for a forgivable loan under the Paycheck Protection Program (PPP). The Organization received \$599,714 on April

NOTE H - REFUNDABLE ADVANCE, CONTINUED

15, 2020 from the PPP. Management believes that the Organization is expected to meet the loan forgiveness criteria and as such has recorded the transaction as a conditional contribution in accordance with ASC Subtopic 958-605. Under this Subtopic, the initial transaction is recorded as a refundable advance, on the statement of financial position, until the condition of forgiveness is achieved at which time it will become a contribution to the Organization on the statement of activities.

NOTE I - NET ASSETS

Net assets consist of the following at June 30, 2020:

	<u>Amount</u>
Without donor restrictions:	
Undesignated	\$ 3,377,006
Board designated - Chaipel memorial	<u>11,115</u>
	<u>\$ 3,388,121</u>

The Board of Directors have set aside funds collected in the amount of \$11,115 as a memorial fund in memory of Cliff Chaipel, a past Board member.

	<u>Amount</u>
With donor restrictions:	<u>\$ -</u>

NOTE J - NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

Net assets released from donor restrictions were:

	<u>Amount</u>
Expenditure for specific purpose accomplished:	
Grants	<u>\$ 2,305,252</u>
Total released from restrictions:	<u>\$ 2,305,252</u>

NOTE K - BENEFIT PLAN

The Organization maintains a Profit Sharing Plan and Safe Harbor 401(k) Plan.

Employees who have completed at least 1,000 hours of service per year, have attained the age of 18, and who are employed for at least two consecutive years are eligible to receive a profit sharing contribution. For the year ended June 30, 2020, the Organization's contribution was six percent (6%) of eligible compensation to the plan.

Employees who have completed at least 1,000 hours of service per year, have attained the age of 18, and who are employed for at least one year are eligible to participate in the 401(k) Plan. Employees are eligible to enter the plan, on the plan entry dates of January 1 or July 1, depending on when they have attained their one year of service. Under the 401(k) Plan, the Organization contributes a matching contribution equal to 100% of the employees' deferrals which do not exceed four percent (4%) of the employees' compensation.

The total contribution for the 401(k) Plan for the year ended June 30, 2020 was \$133,505.

NOTE L - ECONOMIC DEPENDENCE

A substantial part of the Organization's operations is dependent upon the receipt of support from grantor agencies. Loss of these funds and/or large decreases in this type of funding would have a material effect on the Organization and a negative impact on overall operations. For the year ending June 30, 2020, 86% of total support and revenue is attributable to funds received from federal, state and local grantor agencies.

NOTE M - MATCHING GRANT REQUIREMENTS

The Organization receives financial assistance under several grants and contracts requiring local match/participation in the form of cash and in-kind. A maximum match/participation amount is established at the time the financial assistance is awarded. However, revenue is earned based on reimbursements and a fee-for-service basis, and can only be recognized to the extent of applicable eligible and allowable disbursement. The match/participation requirement is therefore based on a contracted portion of allowable disbursements.

For the year ended June 30, 2020, the Organization has met its match/participation requirements.

NOTE N - CONTINGENCIES

Grants and contracts

Grant and contract monies received and disbursed by the Organization are for specific purposes and are subject to audit by the respective grantor/contractor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures. At June 30, 2020, the Organization had not been informed of any such potential reimbursements. Based upon prior experience, management of the Organization does not believe such disallowances, if any, would have a material effect on the financial position of the Organization.

NOTE O - LEASE OBLIGATIONS

The Organization rents office equipment under various operating leases. The operating leases expire between 2021 and 2023.

Future minimum rental payments as of June 30, 2020 are as follows:

Year Ending June 30,	Amount
2021	\$ 29,105
2022	26,764
2023	8,574
	<u>\$ 64,443</u>

Lease expense for the year ended June 30, 2020 was \$38,487.

NOTE P - UNITED WAY CONTRACTS

The Organization recorded revenue from United Way contracts awarded for the year ended June 30, 2020 as follows:

United Way of Lee County	<u>\$ 356,922</u>
--------------------------	-------------------

NOTE Q - FUNDRAISING

Gross receipts from special events recorded by the Organization consists of exchange transaction revenue and contribution revenue. As a result of adopting FASB ASU

NOTE Q - FUNDRAISING, CONTINUED

2014-09 during 2020, the Organization is required to separately present the components of this revenue.

	<u>Amount</u>
Contributions	\$ 34,130
Direct donor benefit	<u>-</u>
Fundraising - gross	<u>\$ 34,130</u>

NOTE R - AGENCY DESIGNATED ENDOWMENT

The Southwest Florida Community Foundation ("Southwest") maintains an agency designated fund in the name of the Organization. This agency designated fund is the sole property of Southwest, which has ultimate control and authority over all of the property in the agency designated fund. During the year ended June 30, 2020, accumulated interest, market fluctuations, and fees have resulted in net changes totaling \$47. For the year ended June 30, 2020, the balance of the agency designated fund was \$2,963. Under generally accepted accounting principles, the agency designated fund is not recorded on the statement of financial position of the Organization.

NOTE S - FAIR VALUE MEASUREMENTS

The framework for measuring fair value 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy, under FASB ASC 820, are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization 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 the asset or liability
- * Inputs that are derived principally from or corroborated by observable market data by correlation or other means

NOTE S - FAIR VALUE MEASUREMENTS, CONTINUED

If the asset or liability has a specified (contractual) term, the Level 2 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

The 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 measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs

The following is a description of the valuation methodologies used for assets for the Organization measured at fair value. There have been no changes in the methodologies used at June 30, 2020.

Beneficial interest in assets held by others - The fair value of the beneficial interest in assets held by others was not readily determinable through an outside source independent of the Organization. The fair value is based on amounts reported to the Organization by the Community Foundation.

The following table sets forth, by level within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2020. The Organization had no financial liabilities as of June 30, 2020.

	Assets at Fair Value as of June 30, 2020			
	(Level 1)	(Level 2)	(Level 3)	Total
Beneficial interest in assets held by others	\$ -	\$ -	\$ 11,354	\$ 11,354
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,354</u>	<u>\$ 11,354</u>

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 investments for the year ended June 30, 2020.

	2020
Balance, beginning of year	\$ 11,594
Unrealized gains (losses)	(240)
Balance, end of year	<u>\$ 11,354</u>

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

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NOTE T - SUBSEQUENT EVENTS

Management has assessed subsequent events through March 29, 2021, the date on which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
Year ended June 30, 2020

<u>FEDERAL AWARDS</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Health and Human Services</u>					
Passed through:					
State of Florida Department of Health					
Social Services Block Grant	93.667	CPX8B	\$558,102	\$ 556,707 (1)	\$ 556,707
Passed through:					
Children's Network of Southwest Florida, LLC					
Promoting Safe and Stable Families	93.556	BBQ02	130,000	<u>110,925</u> (2)	<u>110,925</u>
Total U.S. Department of Health and Human Services				<u>667,632</u>	<u>667,632</u>
<u>U.S. Department of Justice</u>					
Passed through:					
Office of the Attorney General					
Crime Victim Assistance	16.575	VOCA-2019- Children's Advocacy Cente- 00296	<u>499,194</u>	<u>485,636</u> (3)	<u>485,636</u>
Total U.S. Department of Justice				<u>485,636</u> (3)	<u>485,636</u>
Total Federal Awards				<u>\$1,153,268</u>	<u>\$ 1,153,268</u>

(1) Includes receivables of \$216,116

(2) Includes receivables of \$9,025

(3) Includes receivables of \$75,388

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE, CONTINUED
Year ended June 30, 2020

<u>STATE FINANCIAL ASSISTANCE</u>	<u>State CFSA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>Florida Department of Health</u>					
Medical Services for Abused and Neglected Children	64.006	CPX8B	\$738,584	\$ 728,345	\$ 736,737
Medical Services for Abused and Neglected Children	64.006	CSBFM	\$ 35,000	<u>\$ 35,000</u> (4)	<u>\$ 35,000</u>
Total Florida Department of Health				<u>763,345</u>	<u>771,737</u>
<u>Florida State Court System</u>					
Passed through:					
Florida Network of Children's Advocacy Centers, Inc.					
Florida Network of Children's Advocacy Centers	22.016	N/A	376,074	375,296 (5)	375,296
<u>Florida Department of Children and Families</u>					
Passed through:					
Florida Network of Children's Advocacy Centers, Inc.					
Florida Network of Children's Advocacy Centers	60.124	N/A	7,631	7,631	7,631
<u>Florida Department of Highway Safety and Motor Vehicles</u>					
Florida Network of Children's Advocacy Centers, Inc.					
License Plate Project	76.067	N/A	4,966	4,966	4,966
Florida Network of Children's Advocacy Centers Voluntary Contribution	76.123	N/A	746	<u>746</u>	<u>746</u>
Total Florida Department of Highway Safety and Motor Vehicles				<u>5,712</u>	<u>5,712</u>
Total State Financial Assistance				<u>\$1,151,984</u>	<u>\$ 1,160,376</u>
Total Federal Awards and State Financial Assistance				<u>\$2,305,252</u>	<u>\$ 2,313,644</u>

(4) Includes receivables of \$5,840

(5) Includes receivables of \$82,816

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
June 30, 2020

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NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the Federal and State grant activity of Children's Advocacy Center of SW Florida, Inc. (the "Organization") and is presented in accordance with accounting principles generally accepted in the United States of America. 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 the Florida Single Audit Act (Florida Statute 215.97).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Expenditures of Federal Awards and State Financial Assistance is prepared on the accrual basis of accounting.

For new awards or modifications of existing awards after December 26, 2014, the expenditures reported in the Schedule of Expenditures of Federal Awards and State Financial Assistance follow the cost principles contained in the Uniform Guidance. For existing awards prior to December 26, 2014, the expenditures follow the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*. The cost principles indicate that certain types of expenditures are not allowed or reimbursements of allowable costs are limited as to reimbursement.

NOTE C - INDIRECT COSTS

The Organization records all expenditures of federal awards and state financial assistance using the direct cost method. In this manner, the Organization has elected not to use the 10% de minimis indirect cost rate, which is allowed in accordance with the Uniform Guidance.



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**Independent Auditor's Report On Internal Control
Over Financial Reporting And On Compliance And
Other Matters Based On An Audit Of Financial Statements
Performed In Accordance With Government Auditing Standards**

Board of Directors
Children's Advocacy Center of SW Florida, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Children's Advocacy Center of SW Florida, Inc. (the "Organization", a non-profit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization'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.

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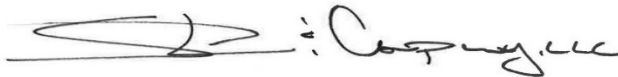
that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



STROEMER & COMPANY, LLC

Fort Myers, Florida

March 29, 2021



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**Independent Auditor's Report On Compliance For Each Major Program
And On Internal Control Over Compliance Required By The Uniform
Guidance, The Florida Single Audit Act (Florida Statute 215.97) And
Chapter 10.650 Of The Rules Of The Auditor General Of The State Of Florida**

Board of Directors
Children's Advocacy Center of SW Florida, Inc.

Report on Compliance for Each Major Federal Program and State Project

We have audited Children's Advocacy Center of SW Florida, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state projects for the year ended June 30, 2020. The Organization's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); the Florida Single Audit Act (Florida Statute 215.97) and Chapter 10.650 of the Rules of the Auditor General of the State of Florida. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the type of

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compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2020.

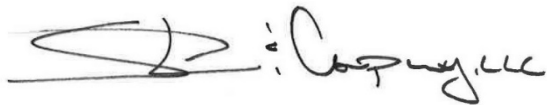
Report on Internal Control Over Compliance

Management of Children's Advocacy Center of SW Florida, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all the deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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, The Florida Single Audit Act (Florida Statute 215.97) and Chapter 10.650 of the Rules of the Auditor General of the State of Florida. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Stroemer & Company, LLC". The signature is stylized and includes a horizontal line underneath the main text.

STROEMER & COMPANY, LLC

Fort Myers, Florida

March 29, 2021

CHILDREN'S ADVOCACY CENTER OF SW FLORIDA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED
COSTS - FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE, CONTINUED
Year ended June 30, 2020

State Financial Assistance

Internal control over major 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 programs	Unqualified					
Any audit findings disclosed that are required to be reported in accordance with Rules of Auditor General 10.654(1)(g)?	_____	Yes	_____	X	_____	No

Identification of major programs (Type A):

<u>CSFA</u> <u>Number(s)</u>	<u>Name of State Project or Cluster</u>
64.006	Medical Services for Abused and Neglected Children

Dollar threshold used to distinguish between Type A and Type B programs Threshold used was \$348,113

Section II- Financial Statement Findings

There were no material weaknesses or instances of noncompliance related to the financial statements.

Section III- Federal Award and State Financial Assistance Findings and Questioned Costs

There were no audit findings related to federal awards required to be reported by 2 CFR Section 200.516(a).

There were no audit findings related to State Financial Assistance required to be reported by Rules of the Auditor General 10.654(1)(g).

Section IV- Status of Federal Awards and/or State Financial Assistance Prior Year Findings

There were no findings related to prior year federal awards and/or state financial assistance.



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Independent Auditor's Report to Management

To the Board of Directors
Children's Advocacy Center of SW Florida, Inc.

We have audited the financial statements of Children's Advocacy Center of SW Florida, Inc. (the "Organization") as of and for the fiscal year ended, June 30, 2020, and have issued our report thereon dated March 29, 2021.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 the Florida Single Audit Act (Florida Statute 215.97). We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, and our Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and the Florida Single Act (Florida Statute 215.97), and Schedule of Findings and Questioned Costs-Federal Awards and State Financial Assistance, and the disclosures in those reports and schedule, which are dated March 29, 2021, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.650 of the Rules of the Auditor General of the State of Florida, which requires disclosure in the management letter of violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements or state project amounts that is less than material but more than inconsequential. In addition, for matters that have an inconsequential effect on the financial statements or state project amounts, considering both quantitative and qualitative factors, the following may be reported based on professional judgment: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, that have occurred, or are likely to have occurred, (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, the following matters are required to be disclosed:

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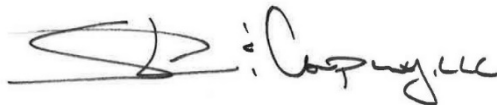
Prior year comments that continues to apply:

NONE

Current year comments:

NONE

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this is intended solely for the information and use of the Board of Directors, management, federal and state awarding agencies, and pass-through entities, the Auditor General of the State of Florida, and federal and state audit agencies. This report is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Stroemer & Company, LLC". The signature is stylized and includes a horizontal line underneath the main text.

STROEMER & COMPANY, LLC
Fort Myers, Florida
March 29, 2021