

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, 2021

Table of Contents

Independent Auditor's Report.....	1 - 3
<u>Financial Statements</u>	
Statement of Financial Position.....	4
Statement of Activities.....	5
Statement of Functional Expenses.....	6 - 7
Statement of Cash Flows.....	8 - 9
Notes to the Financial Statements.....	10 - 20
<u>Supplementary Information</u>	
Schedule of Expenditures of Federal Awards and State Financial Assistance.....	21 - 22
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.....	23
<u>Additional Reports of Independent Auditor</u>	
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.....	24 - 25
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.....	26 - 27
Schedule of Findings and Questioned Costs - Federal Awards and State Financial Assistance.....	28 - 29
Independent Auditor's Report to Management.....	30 - 31



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Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements of Children's Advocacy Center of SW Florida, Inc. (the "Organization") (a non-profit corporation), which comprise the statement of financial position as of June 30, 2021 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements 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, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Children's Advocacy Center of SW Florida, Inc. 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 Children's Advocacy Center of SW Florida, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Affiliations

Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants – Not-For-Profit Section/Tax Section

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By Appointment Only

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 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, including omissions, 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, 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 Children's Advocacy Center of SW Florida, Inc.'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 Children's Advocacy Center of SW Florida, Inc.'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.

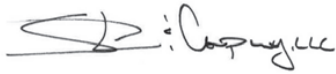
Report on on Supplementary Information

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 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; 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 the 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 a report dated March 22, 2022, 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 solely 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 Children's Advocacy Center of SW Florida, Inc.'s internal control over financial reporting and compliance.



Stroemer & Company, LLC
Fort Myers, Florida
March 22, 2022

Children's Advocacy Center of SW Florida, Inc.
Statement of Financial Position
June 30, 2021

Assets

Current Assets

Cash and cash equivalents	\$ 1,958,179
Beneficial interest in assets held by others	14,500
Accounts receivable	516
Grants receivable	479,785
Other receivables	49,405
Prepaid expenses	69,913
Total current assets	2,572,298

Property and equipment, net

2,360,575

Total assets

\$ 4,932,873

Liabilities and fund balances

Current Liabilities

Current portion of long-term debt	\$ 108,376
Accounts payable	25,670
Accrued payroll	106,260
Accrued compensated absences	152,022
Other accrued liabilities	52,163
Refundable advance	599,714
Total current liabilities	1,044,205

Long term debt, less current portion

167,856

Total liabilities

1,212,061

Net Assets

Net assets without donor restrictions:

Undesignated	3,656,839
Board designated - Chaipel Memorial	11,115

Total net assets without donor restrictions

3,667,954

Net assets with donor restrictions

52,858

Total net assets

3,720,812

Total liabilities and net assets

\$ 4,932,873

The accompanying notes are an integral part of this statement.

Children's Advocacy Center of SW Florida, Inc.
Statement of Activities
For the Year Ended June 30, 2021

	Without Donor <u>Restrictions</u>	With Donor Restrictions	<u>Total</u>
Changes in Net Assets			
Grant revenue	\$ -	\$ 2,417,639	\$ 2,417,639
Contributions	647,352	59,155	706,507
Other contracts, client and agency fees	545,745	-	545,745
United Way	362,100	-	362,100
Investment income	11,968	-	11,968
Fundraising - gross	6,014	-	6,014
	<u>1,573,179</u>	<u>2,476,794</u>	<u>4,049,973</u>
Net assets released from restrictions			
Satisfaction of program restrictions - grants and contracts	2,423,936	(2,423,936)	-
	<u>3,997,115</u>	<u>52,858</u>	<u>4,049,973</u>
Operating Expenses			
Program Services	3,221,862	-	3,221,862
Support Services	495,420	-	495,420
	<u>3,717,282</u>	<u>-</u>	<u>3,717,282</u>
	<u>279,833</u>	<u>52,858</u>	<u>332,691</u>
Net assets, beginning of the year	3,388,121	-	3,388,121
	<u>\$ 3,667,954</u>	<u>\$ 52,858</u>	<u>\$ 3,720,812</u>

The accompanying notes are an integral part of this statement.

Children's Advocacy Center of SW Florida, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2021

	Program Services				Support Services			
	Child Protection Team	Family Alliance	Prevention	Total	Administrative	Fundraising	Total	Total Expenses
Salaries	\$ 1,212,417	\$ 550,025	\$ 338,006	\$ 2,100,448	\$ 290,587	\$ 72,396	\$ 362,983	\$ 2,463,431
Fringe benefits	178,208	112,659	60,008	350,875	49,079	17,833	66,912	417,787
Payroll taxes	91,760	41,183	25,675	158,618	21,830	5,386	27,216	185,834
Computer	52,259	16,417	11,277	79,953	499	-	499	80,452
Furniture/equipment	61,164	621	270	62,055	-	-	-	62,055
Insurance	30,793	17,107	9,126	57,026	3,017	302	3,319	60,345
Supplies	21,534	11,964	6,381	39,879	2,105	211	2,316	42,195
Equipment lease	20,170	11,206	5,976	37,352	1,976	198	2,174	39,526
Maintenance	18,447	10,248	5,466	34,161	1,807	182	1,989	36,150
Office expense	2,158	2,649	1,763	6,570	3,043	184	3,227	9,797
Telephone	16,799	9,333	4,978	31,110	1,646	164	1,810	32,920
Utilities	14,605	8,114	7,130	29,849	-	-	-	29,849
Janitorial	14,641	8,134	4,338	27,113	1,435	142	1,577	28,690
Travel and conferences	9,416	5,917	655	15,988	-	9	9	15,997
Attorney	14,600	-	-	14,600	-	-	-	14,600
Interest expense	6,753	3,752	2,001	12,506	-	-	-	12,506
Audit	6,480	3,600	1,920	12,000	-	-	-	12,000
Transcriptions	10,216	-	-	10,216	-	-	-	10,216
Dues and subscriptions	6,123	1,059	415	7,597	-	-	-	7,597
Translation	7,374	-	-	7,374	-	-	-	7,374
Professional fees	532	4,742	158	5,432	-	-	-	5,432
Printing	2,617	1,454	775	4,846	256	27	283	5,129

The accompanying notes are an integral part of this statement.

Children's Advocacy Center of SW Florida, Inc.
Statement of Functional Expenses (Continued)
For the Year Ended June 30, 2021

	Program Services				Support Services			Total Expenses
	Child Protection Team	Family Alliance	Prevention	Total	Administrative	Fundraising	Total	
Taxes and licenses	2,597	1,443	770	4,810	254	25	279	5,089
Bank charges	-	-	-	-	4,065	-	4,065	4,065
X-ray and lab	3,530	-	-	3,530	-	-	-	3,530
Background fees	1,636	146	1,226	3,008	-	-	-	3,008
Field trips - program	-	-	2,960	2,960	-	-	-	2,960
Pension plan fees	1,454	718	407	2,579	-	-	-	2,579
Postage/shipping	667	371	198	1,236	65	7	72	1,308
Security	644	358	191	1,193	63	6	69	1,262
Fundraising expense	-	-	19	19	-	11,014	11,014	11,033
Advertising	260	128	68	456	-	-	-	456
Training and education	158	88	47	293	16	2	18	311
Waste disposal	180	-	-	180	-	-	-	180
Total expenses before depreciation	1,810,192	823,436	492,204	3,125,832	381,743	108,088	489,831	3,615,663
Depreciation	51,856	28,809	15,365	96,030	5,081	508	5,589	101,619
Total expenses	\$ 1,862,048	\$ 852,245	\$ 507,569	\$ 3,221,862	\$ 386,824	\$ 108,596	\$ 495,420	\$ 3,717,282

The accompanying notes are an integral part of this statement.

Children's Advocacy Center of SW Florida, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2021

Cash flows from operating activities:	
Cash received from grants	\$ 2,327,039
Cash received from contributions	695,777
Cash received from other contracts, client and agency fees	541,461
Cash received from United Way	362,100
Interest income received	8,822
Cash received from fundraising	6,014
Interest paid	(12,506)
Cash paid to suppliers and employees	(3,519,766)
Net cash provided by operating activities	<u>408,941</u>
Cash flows from investing activities:	
Acquisition of property and equipment	(15,694)
Net cash used in investing activities	<u>(15,694)</u>
Cash flows from Financial activities:	
Repayments on long-term debt	(155,010)
Net cash used in financing activities	<u>(155,010)</u>
Net increase in cash and cash equivalents	238,237
Cash and cash equivalents at beginning of year	1,719,942
Cash and cash equivalents at end of period	<u><u>\$ 1,958,179</u></u>

The accompanying notes are an integral part of this statement.

Children's Advocacy Center of SW Florida, Inc.
Statement of Cash Flows (Continued)
For the Year Ended June 30, 2021

Reconciliation of change in total net assets to net cash provided by operating activities	
Change in total net assets	\$ 332,691
Adjustments:	
Depreciation	101,619
Unrealized gain	(3,146)
(Increase)/decrease in assets:	
Pledges receivable	(100)
Grants receivable	(90,600)
Other receivables	(4,184)
Prepaid expenses	(2,594)
Increase/(decrease) in liabilities:	
Accounts payable	15,998
Accrued payroll	37,287
Accrued compensated absences	28,908
Other accrued liabilities	3,792
Deferred revenue	(10,730)
Net cash provided by operating activities	\$ 408,941

The accompanying notes are an integral part of this statement.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note A - Summary of Significant Accounting Policies

1. 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 to improve the lives of children and their families in Southwest Florida through a coordinated response to child abuse and neglect.

2. 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").

3. 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.

4. Statement of cash flows

For purposes of reporting cash flows, the Organization considers only unrestricted 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.

5. 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 account balances and believes it is not exposed to any significant credit risk on its cash and cash equivalent balances.

6. 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 Organization's investment in their general endowment fund.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note A - Summary of Significant Accounting Policies (continued)

7. Receivables

Accounts, grants, and other receivables are delinquent when they are past due. Management has reviewed accounts, grants and other receivables at June 30, 2021 and considers them fully collectible; therefore management has not established an allowance for uncollectible accounts.

8. Concentrations

The Organization receives a substantial portion of 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.

9. 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 to a specific purpose. Assets donated with explicit 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 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.

10. 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, 2021.

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

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note A - Summary of Significant Accounting Policies (continued)

Fair value of financial instruments (continued)

The Organization's financial instruments consist of cash and cash equivalents, receivables, beneficial interest in assets held by others, prepaid expenses, payables, accrued liabilities, and deferred revenue. The Organization estimates that the fair value of all financial instruments as of June 30, 2021 do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

12. Deferred revenue

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

13. Compensated absences

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

14. 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, 2021 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 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.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note A - Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

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 ended June 30, 2021:

Contributions

Revenue from contributions is recognized at the time the support or contribution is made.

Grants

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

15. 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.

16. 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.

17. 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.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note A - Summary of Significant Accounting Policies (continued)

Donated materials and services (continued)

Donated services that do not require specialized skills or enhance nonfinancial assets are not recorded in the accompanying financial statements because no objective bases 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.

18. 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 basis.

19. Advertising costs

Advertising costs are expensed as incurred. During the year ended June 30, 2021, costs related to advertising were \$456.

20. Income taxes

The Internal Revenue Service 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 Financial Accounting Standards Board has issued guidance on accounting for uncertainty in income taxes and the Organization adopted this guidance. 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.

21. 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 amount of assets, 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.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

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 were as follows:

Cash and cash equivalents	\$ 1,958,179
Beneficial interest in assets held by others	14,500
Accounts receivable	516
Grants receivable	479,785
Other receivables	49,405
Less amounts restricted for future use	<u>(52,858)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,449,527</u>

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 is therefore recorded on the statement of financial position of the Organization. During the year ended June 30, 2021 additions, accumulated interest, market fluctuations, and fees have resulted in net changes totaling \$3,146. As of June 30, 2021, the balance of the fund was \$14,500.

Note D - Grants Receivable

Grants receivable as of June 30, 2021 consisted of the following:

Social Services Block Grant (CP18B)	\$ 267,547
Crime Victim Assistance (VOCA-2020-00695)	158,882
Florida Network of Children's Advocacy Centers	35,805
Medical Services for Abused and Neglected Children (CP1FM)	10,256
Promoting Safe and Stable Families (BBQ02)	<u>7,295</u>
	<u>\$ 479,785</u>

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note E - Other Receivables

Other receivables as of June 30, 2021 consisted of the following:

Lee, Charlotte, and Hendry County Medical Exams	\$ 21,800
Crimes Compensation	17,000
Lee County Partnering for Results	10,205
Other	400
	\$ 49,405

Note F - Property and Equipment

Property and equipment as of June 30, 2021 consisted of the following:

Building and land	\$ 2,018,291
Leasehold improvements	1,253,432
Furniture and equipment	331,266
	3,602,989
Accumulated depreciation	(1,242,414)
	\$ 2,360,575

Depreciation expense for the year ended June 30, 2021 was \$101,619.

Note G - Long-Term Debt

Long-term debt consisted of the following as of June 30, 2021:

Mortgage payable to a third party, collateralized by building, monthly interest and principal payments of \$9,793, with interest at 3.25% until November 2023.	\$ 276,232
Less: current portion	(108,376)
Long-term portion of debt	\$ 167,856

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

Year Ending June 30,	
2022	\$ 108,376
2023	115,457
2024	52,399
Total	\$ 276,232

Interest expense for the year ended June 30, 2021 was \$12,506.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

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 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 consisted of the following as of June 30, 2021:

Without donor restrictions:

Undesignated	\$ 3,656,839
Board designated - Chaipel memorial	<u>11,115</u>
	<u><u>\$ 3,667,954</u></u>

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

With donor restrictions:	<u><u>\$ 52,858</u></u>
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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 during the year ended June 30, 2021 were:

Expenditure for specific purpose accomplished:

Grants	\$ 2,423,936
Total released from restrictions:	<u><u>\$ 2,423,936</u></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, 2021 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, 2021 was \$147,752.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

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 ended June 30, 2021, 84% 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, 2021, the Organization has met its match/participation requirements.

Note N - Contingencies

Grants and contracts

Grants 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. As of June 30, 2021, 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 lease agreements. The operating leases expire between 2022 and 2025.

Lease expense for the year ended June 30, 2021 was \$39,526.

Future minimum rental payments as of June 30, 2021 were as follows:

<u>Year ending June 30,</u>	
2022	\$ 29,229
2023	20,886
2024	12,312
2025	12,111
2026	20,490
	<u>\$ 95,028</u>

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note P - United Way Contracts

The Organization recorded revenue for United Way contracts awarded for the the year ended June 30, 2021 as follows:

United Way of Lee County	<u><u>\$ 362,100</u></u>
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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 2014-09 during 2020, the Organization is required to separately present the components of this revenue.

Gross fundraising revenue for the year ended June 30, 2021 consisted of:

Contributions	\$ 6,014
Direct donor benefit	-
Fundraising - gross	<u><u>\$ 6,014</u></u>

Note R - Agency Designated Endowment

The Southwest Florida Community Foundation ("Southwest") maintains an agency designated fund in the name of the Organization. The 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, 2021 additions, accumulated interest, market fluctuations, and fees have resulted in net changes totaling \$743. For the year ended June 30, 2021, the balance of the agency designated fund was \$3,706. 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 follow:

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 pries for identical or similar assets or liabilities in inactive markets.

*Inputs other than quoted prices that are observable for the assets 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 Level 2 input must be observable for substantially the full term of the asset or liability.

Children's Advocacy Center of SW Florida, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2021

Note S - Fair Value Measurements (continued)

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, 2021.

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 tables set forth, by level within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2021. The Organization had no financial liabilities as of June 30, 2021.

	Assets at Fair Value as of June 30, 2021			
	(Level 1)	(Level 2)	(Level 3)	Total
Beneficial interest in assets held by others	\$ -	\$ -	\$ 14,500	\$ 14,500
	\$ -	\$ -	\$ 14,500	\$ 14,500

The following table sets forth a summary of changes in fair value of the Organization's Level 3 investments for the year ended June 30, 2021.

Balance, beginning of year	\$ 11,354
Unrealized gains	3,146
Balance, end of year	\$ 14,500

Note T - Subsequent Events

Management has assessed subsequent events through March 22, 2022, the date on which the financial statements were available to be issued and have noted the following:

On September 29, 2021 the Small Business Administration forgave \$90,101 of the PPP loan (Note H).

Supplemental Information

Children's Advocacy Center of SW Florida, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2021

Federal Awards	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures
<u>U.S. Department of Health and Human Services</u>					
Passed through:					
State of Florida Department of Health Social Services Block Grant	93.667	CPX18B	\$ 628,474	\$ 628,474	\$ (1) 628,474
Passed through:					
Children's Network of Southwest Florida, LLC Promoting Safe and Stable Families	93.556	BBQ02	130,000	104,795	(2) 104,795
Total U.S. Department of Health and Human Services				<u>733,269</u>	<u>733,269</u>
<u>U.S. Department of Justice</u>					
Passed through:					
Office of the Attorney General Crime Victim Assistance	16.575	VOCA-2020-Children's Advocacy Center-00296	931,622	469,078	(3) 469,078
Total U.S. Department of Justice				<u>469,078</u>	<u>469,078</u>
Total Federal Awards				<u>\$ 1,202,347</u>	<u>\$ 1,202,347</u>

(1) Includes receivables of \$267,547

(2) Includes receivables of \$7,295

(3) Includes receivables \$158,882

Children's Advocacy Center of SW Florida, Inc.
Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
For the Year Ended June 30, 2021

State Financial Assistance	State CFSA Number	Pass-Through Grantor's Number	Program or Award Amount	Receipts or Revenue Recognized	Disbursements/ Expenditures
<u>Florida Department of Health</u>					
Medical Services for Abused and Neglected Children	64.006	CP18B	\$ 867,890	\$ 863,890	\$ 863,890
Medical Services for Abused and Neglected Children	64.006	CPIFM	\$ 41,000	\$ 41,000 (4)	\$ 41,000
Total Florida Department of Health				<u>904,890</u>	<u>904,890</u>
<u>Florida State Court System</u>					
Passed through:					
Florida Network of Children's Advocacy Centers, Inc.	41.031	N/A	303,891	303,891 (5)	303,891
Florida Network of Children's Advocacy Centers					
<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	20-21-ZDCF-CAC24	9,996	-	-
<u>Florida Department of Highway Safety and Motor Vehicles</u>					
Florida Network of Children's Advocacy Centers, Inc.					
License Plate Project	76.067	20-21-LPVC-CAC24	4,955	4,955	4,955
Florida Network of Children's Advocacy Centers Voluntary Contribution	76.123	20-21-LPVC-CAC24	889	889	889
Total Florida Department of Highway Safety and Motor Vehicles				<u>5,844</u>	<u>5,844</u>
Total State Financial Assistance				<u>\$ 1,214,625</u>	<u>\$ 1,214,625</u>
Total Federal Awards and State Financial Assistance				<u>\$ 2,416,972</u>	<u>\$ 2,416,972</u>

(4) Includes receivables of \$10,256

(5) Includes receivables of \$35,805

Children's Advocacy Center of SW Florida, Inc.
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2021

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

To the 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, 2021, and the related statements of activities and changes in net assets, 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 22, 2022.

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.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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.

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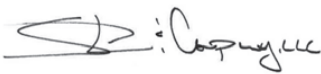
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Compliance and Other Matters

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 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 22, 2022



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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

To the 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, 2021. 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; 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 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.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal Programs 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, 2021.

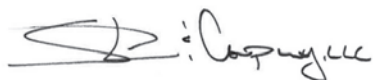
Report on Internal Control Over Compliance

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 programs and state projects 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.



Stroemer & Company, LLC
Fort Myers, Florida
March 22, 2022

Children's Advocacy Center of SW Florida, Inc.
Schedule of Findings and Questioned Costs - Federal Awards and State Financial Assistance
For the Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	
	No

Identification of major programs (Type A):

CFDA Number(s)	Name of Federal Program or Cluster
93.667	Social Services Block Grant

Dollar Threshold used to distinguish between Type A and Type B programs?	Threshold used was \$750,000
Auditee qualified as low-risk auditee?	Yes

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Rules of Auditor General 10.654(1)(g)?	No

Identification of major programs (Type A):

CFDA Number(s)	Name of Federal Program or Cluster
64.006	Medical Services for Abused and Neglected Children

Dollar Threshold used to distinguish between Type A and Type B programs? Threshold used was \$364,388

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 federal awards 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, 2021, and have issued our report thereon dated March 22, 2022.

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"); the Florida Single Audit Act (Florida Statute 215.97); 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, 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, 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 22, 2022, 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:

Prior year comments that continue to apply:

None

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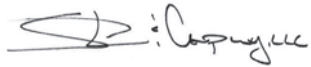
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Current year comments that continue to apply:

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.



Stroemer & Company, LLC

Fort Myers, Florida

March 22, 2022