

211 PALM BEACH/TREASURE COAST, INC.

**REPORT ON AUDIT OF
CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2024
(with comparable totals for 2023)**

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-3
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	4
Consolidated Statement of Activities	5
Consolidated Statement of Cash Flows	6-7
Consolidated Statement of Functional Expenses	8
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	9-21
INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROL AND COMPLIANCE	
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 <i>Government Auditing Standards</i>	22-23
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance	24-26
Schedule of Findings and Questioned Costs	27-28
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures of Federal Awards	29
Notes to Schedule of Expenditures of Federal Awards	30
Consolidated Schedule of Program Expenses	31
Schedule of State Earnings	32
Schedule of Actual Support and Revenues	33
Schedule of Actual Expenses	34



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of 211 Palm Beach/Treasure Coast, Inc. (a Florida nonprofit corporation), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of 211 Palm Beach/Treasure Coast, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of 211 Palm Beach/Treasure Coast, 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 opinions.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 211 Palm Beach/Treasure Coast, Inc.'s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 211 Palm Beach/Treasure Coast, 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about 211 Palm Beach/Treasure Coast, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. In addition, the consolidated schedule of program expenses on pages 31, state earnings on page 32, and actual revenues and expenses on pages 33-34 are presented for purposes of additional analysis, and are not a required part of the basic consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 January 24, 2025, on our consideration of 211 Palm Beach/Treasure Coast, 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 effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the 211 Palm Beach/Treasure Coast, Inc. 2023 consolidated financial statements, and our report dated January 30, 2024, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Holyfield & Thomas, LLC

West Palm Beach, Florida
January 24, 2025

*As of June 30, 2024**(with comparable totals for 2023)*

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,686,368	\$ 1,071,348	\$ 4,757,716	\$ 4,924,374
Grants and allocations receivable	544,818	-	544,818	451,080
Accounts and pledges receivable	45,502	77,553	123,055	158,660
Prepaid expenses and other assets	84,044	-	84,044	57,043
Total current assets	4,360,732	1,148,901	5,509,633	5,591,157
Beneficial interest in assets held by Community Foundation:				
Designated fund	1,055,596	-	1,055,596	1,000,000
Capital campaign	-	101,658	101,658	-
Investment in deferred compensation plan	26,933	-	26,933	12,942
Property and equipment, net	487,828	-	487,828	329,790
Operating right-of-use asset, net	41,350	-	41,350	51,256
Total assets	<u>\$ 5,972,439</u>	<u>\$ 1,250,559</u>	<u>\$ 7,222,998</u>	<u>\$ 6,985,145</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 239,798	\$ -	\$ 239,798	\$ 205,008
Deferred revenue	63,681	-	63,681	5,000
Refundable advance	-	-	-	361,329
Current portion of mortgage payable	17,040	-	17,040	16,373
Current portion of obligation under operating lease	10,259	-	10,259	9,906
Total current liabilities	330,778	-	330,778	597,616
Mortgage payable, net of current portion	116,792	-	116,792	133,405
Obligation under operating lease	31,091	-	31,091	41,350
Obligation under deferred compensation plan	26,933	-	26,933	12,942
Total liabilities	<u>505,594</u>	<u>-</u>	<u>505,594</u>	<u>785,313</u>
Net assets:				
Without donor restrictions:				
Undesignated	2,466,845	-	2,466,845	2,205,749
Board designated	3,000,000	-	3,000,000	3,000,000
Total without donor restrictions	5,466,845	-	5,466,845	5,205,749
With donor restrictions	-	1,250,559	1,250,559	994,083
Total net assets	<u>5,466,845</u>	<u>1,250,559</u>	<u>6,717,404</u>	<u>6,199,832</u>
Total liabilities and net assets	<u>\$ 5,972,439</u>	<u>\$ 1,250,559</u>	<u>\$ 7,222,998</u>	<u>\$ 6,985,145</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2024**(with comparable totals for 2023)*

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
Support and Revenues:				
Support:				
Federal grants and contracts	\$ 2,035,157	\$ -	\$ 2,035,157	\$ 1,532,703
State, county, and other local grants	1,679,675	246,569	1,926,244	4,594,782
United Way allocations	426,333	-	426,333	447,125
In-kind contribution	-	-	-	20,000
Contributions	514,346	-	514,346	620,127
Capital campaign	-	315,778	315,778	512,037
Total support	<u>4,655,511</u>	<u>562,347</u>	<u>5,217,858</u>	<u>7,726,774</u>
Revenues:				
Rental income	-	-	-	35,875
Fundraising revenue	536,019	-	536,019	68,003
Training and license	6,500	-	6,500	5,000
Interest income, net	152,389	-	152,389	-
Change in value of beneficial interest in assets	57,254	-	57,254	-
Other income	4,011	-	4,011	4,150
Total revenues	<u>756,173</u>	<u>-</u>	<u>756,173</u>	<u>113,028</u>
Total support and revenues	<u>5,411,684</u>	<u>562,347</u>	<u>5,974,031</u>	<u>7,839,802</u>
Net assets released from restrictions	<u>305,871</u>	<u>(305,871)</u>	<u>-</u>	<u>-</u>
	<u>5,717,555</u>	<u>256,476</u>	<u>5,974,031</u>	<u>7,839,802</u>
Expenses:				
Program services	4,539,643	-	4,539,643	4,597,919
Support services:				
Management and general	289,360	-	289,360	242,606
Growth and infrastructure	296,264	-	296,264	247,308
Building	30,685	-	30,685	28,464
Fundraising	300,507	-	300,507	166,624
Total expenses	<u>5,456,459</u>	<u>-</u>	<u>5,456,459</u>	<u>5,282,921</u>
Change in net assets	261,096	256,476	517,572	2,556,881
Net assets, beginning of year	<u>5,205,749</u>	<u>994,083</u>	<u>6,199,832</u>	<u>3,642,951</u>
Net assets, end of year	<u>\$ 5,466,845</u>	<u>\$ 1,250,559</u>	<u>\$ 6,717,404</u>	<u>\$ 6,199,832</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2024**(with comparable totals for 2023)*

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from contributors and grantors	\$ 4,863,577	\$ 7,657,342
Cash received from rentals	-	35,875
Cash received from fundraising	536,019	68,003
Interest income, net	152,389	-
Other income	4,011	4,150
Cash paid to employees and suppliers for goods and services	(5,411,338)	(5,165,732)
Interest paid	<u>(6,250)</u>	<u>(6,839)</u>
Net cash provided by operating activities	<u>138,408</u>	<u>2,592,799</u>
Cash flows from investing activities:		
Purchase of property and equipment	(189,120)	(10,000)
Funds transferred to Community Foundation	<u>(100,000)</u>	<u>(1,000,000)</u>
Net cash used in investing activities	<u>(289,120)</u>	<u>(1,010,000)</u>
Cash flows from financing activities:		
Mortgage principal payments	<u>(15,946)</u>	<u>(15,358)</u>
Net cash used in financing activities	<u>(15,946)</u>	<u>(15,358)</u>
Change in cash and cash equivalents	(166,658)	1,567,441
Cash and cash equivalents, beginning of year	<u>4,924,374</u>	<u>3,356,933</u>
Cash and cash equivalents, end of year	<u><u>\$ 4,757,716</u></u>	<u><u>\$ 4,924,374</u></u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2024**(with comparable totals for 2023)*

	<u>2024</u>	<u>2023</u>
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	\$ 517,572	\$ 2,556,881
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	31,083	36,479
Lease expense	11,509	4,795
Change in value of beneficial interest in assets	(57,254)	-
(Increase) decrease in:		
Grants and allocations receivable	(93,738)	(165,981)
Accounts and pledges receivable	35,605	(151,660)
Prepaid expenses and other assets	(27,001)	25,229
(Decrease) increase in:		
Accounts payable and accrued expenses	34,789	36,552
Deferred revenue	58,681	-
Deposit	-	(7,910)
Refundable advance	(361,329)	263,209
Operating lease obligation	(11,509)	(4,795)
Net cash provided by operating activities	<u>\$ 138,408</u>	<u>\$ 2,592,799</u>

See accompanying notes to consolidated financial statements.

*For the Year Ended June 30, 2024**(with comparable totals for 2023)*

	Support Services					2024 Totals	2023 Totals
	Program Services	Management and General	Growth and Infrastructure	Building	Fundraising		
Salaries and wages	\$ 3,097,359	\$ 205,301	\$ -	\$ -	\$ 102,815	\$ 3,405,475	\$ 3,569,784
Payroll taxes and employee benefits	602,613	35,371	-	-	21,417	659,401	591,005
Total salaries and related expenses	3,699,972	240,672	-	-	124,232	4,064,876	4,160,789
Advertising and promotion	7,166	350	29,922	-	210	37,648	38,748
Amortization	-	-	-	408	-	408	408
Bank charges	-	1,660	302	35	5,425	7,422	6,460
Computer software and support	105,842	5,874	5,995	-	6,676	124,387	112,561
Direct assistance to individuals	1,266	-	-	-	-	1,266	4,741
Equipment rental and maintenance	117,651	185	-	-	100	117,936	52,993
Insurance	67,440	2,745	-	-	1,971	72,156	63,298
Licenses, dues, and subscriptions	12,222	901	-	70	3,107	16,300	25,785
Miscellaneous	-	190	48,829	-	-	49,019	190
Mortgage interest	2,943	2,898	-	-	-	5,841	6,431
Occupancy	52,302	7,231	-	3,066	1,300	63,899	63,349
Operating supplies	33,725	1,348	-	-	946	36,019	25,787
Other	3,118	2,554	-	-	1,942	7,614	10,667
Payroll	5,393	279	-	-	153	5,825	3,084
Postage	4,966	210	-	-	290	5,466	6,620
Professional services	193,822	13,291	210,392	-	6,211	423,716	380,008
Property tax	-	-	-	3,096	-	3,096	2,952
Special events venue and other direct expenses	-	-	-	-	143,040	143,040	31,620
Staff training	20,008	313	-	-	76	20,397	11,481
Telephone	173,593	7,310	736	-	4,021	185,660	221,329
Travel	31,754	930	88	-	613	33,385	17,141
Total expenses before depreciation	4,533,183	288,941	296,264	6,675	300,313	5,425,376	5,246,442
Depreciation	6,460	419	-	24,010	194	31,083	36,479
Total functional expenses	<u>\$ 4,539,643</u>	<u>\$ 289,360</u>	<u>\$ 296,264</u>	<u>\$ 30,685</u>	<u>\$ 300,507</u>	<u>\$ 5,456,459</u>	<u>\$ 5,282,921</u>

See accompanying notes to consolidated financial statements.

For the Year Ended June 30, 2024

1. Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

211 Palm Beach/Treasure Coast, Inc. ("211") is a non-profit corporation organized in November 1971 under the laws of the State of Florida. 211 provides information to the public about available health and human service resources, telephone counseling to individuals with personal or family problems, and services to special populations, such as older adults and adolescents. 415 Gator Drive, Inc., was formed in August 1999 to hold title to real property utilized by 211. The Board of Directors is the same for both organizations, and 211 utilizes the real property of 415 Gator Drive, Inc. Therefore, the financial information for both organizations (the "Organization") is consolidated in these financial statements and all inter-company transactions have been eliminated.

Consolidated Financial Statement Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (FASB) as set forth under FASB Accounting Standards Codification (FASB ASC) 958-205 *Not-for-Profit Entities, Presentation of Financial Statements*. Accordingly, the net assets of the Organization are reported in each of the following classes:

Net assets without donor restrictions: are those currently available for use in the current operations of the Organization under the direction of the Board of Directors.

Net assets with donor restrictions: are those subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, which recognizes revenue when earned, and expenses as incurred. Grants are recorded as support when performance occurs under the terms of the grant agreement.

Use of Estimates

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

For the Year Ended June 30, 2024

1. Organization and Summary of Significant Accounting Policies, continued

Fair Value Measurements

FASB ASC 820-10 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets and 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 820-10 are described below:

For assets and liabilities measured at fair value on a recurring basis, entities should disclose information that allows financial statement users to assess (1) the inputs used to develop such measurements, such as Level 1 (i.e., quoted price in an active market for an identical asset or liability), Level 2 (i.e., quoted price for similar assets or liabilities in active markets), or Level 3 (i.e., unobservable inputs); and (2) the effect on changes in net assets of recurring measurements that use significant unobservable (Level 3) inputs.

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

Fair Value of Financial Instruments: The carrying amounts of financial instruments including cash and cash equivalents, accounts payable, and accrued liabilities approximate their fair value because of the relatively short maturity of these instruments. Additionally, mortgage payable, line of credit, and lease obligations approximate their fair value as stated interest rates approximate current market rates.

Items Measured at Fair Value on a Recurring Basis

The following methods and assumptions were used by the Organization in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under FASB ASC 820-10:

- *Beneficial interest in assets held by Community Foundation* – valued based on the Organization's proportionate share of the fair value of the underlying pooled investment reported by the Community Foundation. These assets are measured according to Level 3.
- *Investments in and obligations under deferred compensation plan* – consists of balanced mutual funds measured at net asset value (NAV) quoted by the custodian as of the close of business. These investments are all measured according to Level 1.

The table below sets forth a summary of changes in the fair value of the Organization's Level 3 asset, beneficial interest in assets held by Community Foundation, for the year ended June 30, 2024.

For the Year Ended June 30, 2024

1. Organization and Summary of Significant Accounting Policies, continued*Fair Value Measurements, continued*

Balance, beginning of year	\$ 1,000,000
Funds transferred to Community Foundation	100,000
Funds received from Community Foundation	-
Change in value	<u>57,254</u>
Balance, end of year	<u>\$ 1,157,254</u>

FASB ASC 820-10 requires disclosure of quantitative information about the unobservable inputs used to measure Level 3 assets and liabilities. The following table provides information about Level 3 assets:

	<u>Fair Value</u>	<u>Valuation Techniques</u>	<u>Unobservable Inputs</u>
Beneficial interest in assets held by Community Foundation	<u>\$ 1,157,254</u>	3 rd party valuation pricing	Underlying securities

Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, other than those held with the investment portfolio and are classified as such. During the fiscal year, deposits were maintained in commercial bank checking accounts, money market, and certificate of deposit accounts.

Grants and Allocations Receivable

Grants receivable are recognized as the reimbursable expense is incurred. Allocations receivable arise from various grantors, all of which share a similar fiscal year as the Organization and are treated as promises to give. When there is conditional language within the allocation agreements, or there is an absence of clearly unconditional terms, income is recognized from such allocations as conditions are satisfied.

Grants and allocations receivable are considered to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Accounts and Pledges Receivable

The Organization provides specific program related services for other agencies and records the income and receivable as the service is rendered. Management has evaluated the collectability of its accounts receivable and feel that all receivables are collectible for the year ending June 30, 2024.

Pledges receivable in the accompanying statement of financial position consist of donors' unconditional promises to give that are recognized as revenue and as receivable in the period the promise is received. As with the accounts receivable above, there is no allowance for uncollectible pledges receivable deemed necessary as of June 30, 2024.

For the Year Ended June 30, 2024

1. Organization and Summary of Significant Accounting Policies, continued

Prepaid Expenses and Other Assets

Prepaid expenses and other assets are principally comprised of insurance premiums related to future coverage, deposits for special events that are to be held subsequent to the date of the consolidated financial statements, and a gift annuity under a split-interest agreement.

Property and Equipment

Property and equipment in excess of \$5,000 is recorded at cost, or if donated, at the estimated fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 3 to 30 years. Expenditures for repairs and maintenance are charged to expense as incurred. Major improvements are capitalized.

Leases

The Organization follows FASB Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842), which requires leases longer than 12 months to be recognized on the balance sheet as liabilities, with corresponding right-of-use (ROU) assets. At lease commencement, the ROU asset and liability are recognized, with the asset measured at the lease liability amount, lease payments made, direct costs, and estimated removal costs. After initial recognition, ROU assets are amortized on a straight-line basis over the shorter of the lease term or asset life and are reduced by any accumulated amortization or impairment. The lease term includes non-cancellable periods and options to extend or terminate, if the lessee is likely to exercise those options.

Contributions

Gifts of cash and other donated assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restriction. Furthermore, restricted contributions that are initially restricted as to time or use are required to be reported as net assets with donor restrictions and are later reclassified to net assets without donor restrictions upon expiration of the time or use restriction.

Deferred Revenue

Income and fees for special events yet to be held are deferred and recognized over the periods to which the income and fees relate.

For the Year Ended June 30, 2024

1. Organization and Summary of Significant Accounting Policies, continued*Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and in the consolidated statement of functional expenses. Accordingly, direct costs have been charged to the specific program or supporting service as incurred and indirect costs have been allocated among the programs and supporting services benefited. Salaries and other related expenses are allocated based on studies of personnel. Occupancy and related costs are allocated based on studies of relative space utilization and the benefit provided.

Advertising

Advertising costs are expensed as incurred. Total advertising cost for the year ended June 30, 2024 was approximately \$37,600.

Income Taxes

211 is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. 415 Gator Drive, Inc. is exempt under Section 501(c)(2), and files a consolidated tax return with 211 as an affiliate. Income from certain activities not directly related to 211's tax-exempt purpose is subject to taxation as unrelated business income. In addition, 211 qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Based upon an analysis of its net unrelated business income for the current year and the net operating loss carryovers available from earlier years, 211 does not believe any income tax is owed for the period and no tax liability is recognized in these consolidated financial statements.

The Organization has adopted FASB ASC Topic 740-10, *Accounting for Uncertainty in Income Taxes*. This pronouncement seeks to reduce the diversity in practice associated with certain aspects of measurement and recognition in accounting for income taxes. It prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position that an entity takes or expects to take in a tax return. An entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold. The Organization assesses its income tax positions based on management's evaluation of the facts, circumstances and information available at the reporting date. The Organization uses the prescribed more likely than not threshold when making its assessment, and has not accrued any interest expense or penalties related to tax positions. In addition, there are currently no open Federal or State tax years under audit.

Prior Year Summarized Information

The consolidated financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2023, from which the summarized information was derived. Certain reclassifications may have been made to the 2023 consolidated financial statements to conform to the current year presentation. Such reclassifications would have no effect on net assets as previously reported.

For the Year Ended June 30, 2024

2. Program Services and Initiatives

The following is a description of the major programs and initiatives of 211:

Resource Center/HelpLine Palm Beach County – Provides information, assessment, referral, crisis intervention, counseling, and suicide intervention, via the telephone number 2-1-1, via text, chat, email and online database 24 hours a day / 365 days a year. This is a toll free, confidential community and crisis helpline, available to the residents of Palm Beach County.

Resource Center/HelpLine Treasure Coast – Provides information, assessment, referral, crisis intervention, counseling, and suicide intervention, via the telephone number 2-1-1, via text, chat, email and online database 24 hours a day / 365 days a year. This is a toll free, confidential community and crisis helpline, available to the residents of Indian River, Martin, St. Lucie and Okeechobee Counties.

Lifeline (988) – Provides suicide and emotional crisis intervention and de-escalation via the phone 24 hours a day / 365 days a year. This nationwide number routes calls placed within our service area to our fully trained staff.

First Responders – Provides crisis intervention, information and referral, and care coordination to area first responders and their families. This is a toll-free number as part of a Statewide response to decrease emotional and suicidal rates. The program provides first responders with peer-to-peer support.

Elder Crisis Outreach – Provides telephone and in-home crisis intervention services to individuals in Palm Beach County age 60 and over who are in emotional, financial and/or social distress. The goal is to intervene as early as possible to assist older adults in maintaining their independence.

Special Needs – Provides parents and caregivers of children with special needs (birth to age 22) support in finding healthcare options, financial assistance, support groups, educational information, respite and other needed services.

Help Me Grow – Provides developmental guidance and care coordination to parents who are concerned about their child's development including physical, emotional, and behavioral by providing developmental screening and referrals to community support.

My Florida Veteran – Florida Veterans Support Line provides veterans/former military and their families with comprehensive information, referral to services, emotional support, and care coordination by trained veteran peers who have access to hundreds of community-based services.

Sunshine Services – Provides daily reassurance telephone calls to elders and homebound individuals in Palm Beach, St. Lucie, Okeechobee, Indian River, and Martin counties to check on their well-being and give them a friendly “hello.” Often, the “sunshine call” is the only outside contact the client has all day. These calls can also be lifesaving; if one of the isolated elders we call does not answer or has been injured, we send help to them.

Caregiver Project – Caregiver Project serves individuals who are 18 years or older and provides care for another adult of any age. This program provides supportive crisis counseling, comprehensive needs assessment, linkage to community services, advocacy with family or service providers and follow up.

For the Year Ended June 30, 2024

2. Program Services and Initiatives, continued

Growth and Infrastructure/Capital Campaign – Growth and Infrastructure/Capital Campaign provides funding for the future growth and improved agency framework to sustain critically needed social services for years to come. Included in this program is a multi-year capital campaign with the objective of building a new 12,000 square foot, hurricane-rated headquarters facility to house growing operations at the current location for approximately \$6 million.

3. Liquidity and Availability of Resources

Financial assets available for general expenditure within one year of the statement of financial position, that is, without donor restrictions or other restrictions limiting their use are comprised of the following:

Cash and cash equivalents	\$ 4,757,716
Grants and allocations receivable	544,818
Accounts and pledges receivable	<u>123,055</u>
	5,425,589
Less capital campaign (cash and receivables)	<u>999,684</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 4,425,905</u>

The Organization is substantially supported by contracts, grants, allocations, and contributions without donor and with donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Some of the Organization's net assets with donor restrictions are available for general expenditure within one year of June 30, 2024 because the restrictions on the net assets are expected to be met by conducting the normal program activities of the Organization in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. Furthermore, management believes the Organization has sufficient cash designated by the Board for contingencies plus a \$100,000 line of credit which may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need.

For the Year Ended June 30, 2024**4. Receivables**

The Organization receives and records grants, contracts, and accounts receivable in the course of providing its programs and activities. The balance of the Organization's receivables consists of the following as of June 30, 2024:

Children's Forum	\$ 161,661
DCF Circuit 19	75,199
National Suicide Prevention Lifeline	60,000
First Call for Help of Broward, Inc.	58,386
Children's Services Council – Palm Beach County	48,487
Board of County Commissioners	44,364
Palm Beach County ECO & TAS	36,826
The Crisis Center of Tampa Bay, Inc.	23,232
Indian River County BOCC	12,460
Martin County	8,250
Victim Services and Support	6,471
Children's Services Council – St Lucie County	4,922
Department of Children and Family – West Palm Beach	<u>4,560</u>
Total grants and allocations receivable	<u>544,818</u>
Accounts receivable	45,502
Pledges receivable	<u>77,553</u>
Total accounts and pledges receivable	<u>123,055</u>
Total receivables	<u>\$ 667,873</u>

5. Property and Equipment

Property and equipment consist of the following as of June 30, 2024:

Office furniture and equipment	\$ 201,820
Computers and software	183,500
Buildings and improvements	647,499
Leasehold improvements	244,122
Land	<u>160,000</u>
	1,436,941
Less accumulated depreciation	(1,073,034)
Construction in progress	<u>123,921</u>
	<u>\$ 487,828</u>

Construction in progress as of June 30, 2024, includes accumulated costs incurred for the future construction of a new headquarters facility.

For the Year Ended June 30, 2024**6. Mortgage Payable and Line of Credit***Mortgage Payable*

The mortgage for the property owned by 415 Gator Drive, Inc. was refinanced in July 2016. The principal amount of the mortgage was \$250,000 payable over 15 years with a maturity date of July 2031. Monthly payments are \$1,849.63 at an interest rate of 4%, which approximates the effective interest rate, for the first 60 months. The scheduled payment amount may then change and continue to change every 60 payments thereafter. The mortgage is collateralized by the property at 415 Gator Drive, Inc. together with future rents and leases. The balance of the mortgage payable as of June 30, 2024 was \$136,712. The closing costs of \$6,114 are being amortized over the term of the mortgage, fifteen years. Current amortization expense was \$408 and is reported as part of mortgage interest expense in the consolidated statement of activities.

Future maturities of the mortgage payable at June 30, 2024 are approximately:

2025	\$ 17,040
2026	17,735
2027	18,457
2028	19,209
2029	19,992
Thereafter	<u>44,279</u>
	136,712
Less debt issuance costs, net	<u>2,880</u>
	133,832
Less current portion of mortgage payable	<u>17,040</u>
Long-term mortgage payable	<u>\$ 116,792</u>

Revolving Line of Credit

The Organization has a \$100,000 working capital revolving line of credit secured by the real estate, and payable at an interest rate equal to the Wall Street Journal Prime Rate plus 0.50% (8.5% as of June 30, 2024). The line of credit was unused as of June 30, 2024.

For the Year Ended June 30, 2024

7. Net Assets

In addition to reporting net assets that have donor restrictions, the Organization designates net assets from time to time to provide funding for future programs and initiatives. As of June 30, 2024, the Organization's classification of net assets was as follows:

Net assets with donor restrictions:

Veterans support	\$ 86,539
Capital Campaign – building funds	999,684
Special Needs support	29,752
Elder Crisis Outreach Funds	78,998
Elder Crisis Outreach Grants	14,284
Sunshine	29,409
Special Needs funds	6,900
Other	<u>4,993</u>

Total net assets with donor restrictions	<u>1,250,559</u>
--	------------------

Net assets without donor restrictions:

Undesignated	2,466,845
Board designated:	
Building	1,000,000
Operating reserve	<u>2,000,000</u>

Total net asset without donor restrictions	<u>5,466,845</u>
--	------------------

Total net assets	<u>\$ 6,717,404</u>
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8. Beneficial Interest in Assets Held at the Community Foundation***Designated fund***

In June 2023, 211 Palm Beach/Treasure Coast, Inc. entered into a funding agreement and contributed \$1,000,000 to the Community Foundation for Palm Beach and Martin Counties (the "Community Foundation") to establish a charitable fund, the 211 Palm Beach Treasure Coast Reserve Fund (the "Designated Fund"). This fund will invest in a diversified portfolio having a target asset allocation of 50% money market and 50% long-term growth portfolio.

The funding agreement releases all rights, title and interest to the assets and grants variance power to the Community Foundation. Distributions from the charitable fund are to be in accordance with the Community Foundation's spending policy, at the request of 211 Palm Beach/Treasure Coast, Inc. The total cumulative contributions made to the Designated Fund amounted to \$1,000,000 as of June 30, 2024. 211 Palm Beach/Treasure Coast Inc.'s beneficial interest in funds held by the Community Foundation is reported at the fair market value of the underlying investments as reported by the Community Foundation. 211 Palm Beach/Treasure Coast inc.'s beneficial interest in the Designated Fund assets held by the Community Foundation was \$1,055,596 as of June 30, 2024.

For the Year Ended June 30, 2024**8. Beneficial Interest in Assets Held at the Community Foundation, continued***Capital campaign fund*

In March 2024, 211 Palm Beach/Treasure Coast, Inc. entered into another funding agreement and directed \$100,000 to the Community Foundation for Palm Beach and Martin Counties (the "Community Foundation") to establish a charitable fund, the 211 Palm Beach Treasure Coast Capital Campaign Fund (the "Capital Campaign Fund"). This fund will invest 100% in money market. 211 Palm Beach/Treasure Coast inc.'s beneficial interest in Capital Campaign Fund assets held by the Community Foundation was \$101,658 as of June 30, 2024.

9. Lease*Operating Lease*

The Organization leases office equipment (including service contracts), under a non-cancelable operating lease arrangement that extends through May 2028. The lease requires minimum payments of \$959 per month.

Operating right-of-use asset as of June 30, 2024, consisted of the following:

Office equipment	\$ 55,283
Less accumulated amortization	<u>13,933</u>
Net operating right-of-use asset	<u>\$ 41,350</u>

Operating lease obligation as of June 30, 2024, consisted of the following:

Office equipment	\$ 41,350
Less current portion	<u>10,259</u>
Non-current portion	<u>\$ 31,091</u>

Operating lease expense for the year ended June 30, 2024 consisted of the following:

	<u>Amortization</u>	<u>Finance Charges</u>	<u>Total</u>
Lease expense - office equipment	<u>\$ 9,906</u>	<u>\$ 1,603</u>	<u>\$ 11,509</u>

For the Year Ended June 30, 2024

9. Lease, continued

Undiscounted future lease payments under operating leases as of June 30, 2024 for each of the next five years include:

2025	\$ 11,509
2026	11,509
2027	11,509
2028	<u>9,591</u>
	44,118
Less discount to present value	<u>2,768</u>
	41,350
Present value of future lease payments	<u>10,259</u>
Less current portion	<u>31,091</u>
Non-current portion	<u>\$ 31,091</u>

The discount has been calculated using an interest of 3.5% for the office equipment, which approximates the incremental borrowing rate of the Organization for the acquisition of the related asset at the time the lease was signed.

Operating lease expense for the year ended June 30, 2024, is included within the equipment rental and maintenance category in the consolidated statement of functional expenses.

10. Commitments and Contingencies***Compliance Audits***

Financial awards from federal, state, and local governmental entities, in the form of grants, are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. Management is not aware of any instances of material noncompliance and does not believe the Organization owes any funds with respect to disallowed costs or noncompliance with grantor restrictions. Accordingly, no provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

11. Employee Benefit Plans***Defined Contribution Plan***

The Organization established a retirement plan under Section 403(b) of the Internal Revenue Code, effective January 1, 1995. Employees become eligible when they attain age 21 and work more than 1,000 hours during the year. During the year ended June 30, 2024, the Organization's employer match contribution was equal to the employee's deferral to the plan, up to a maximum of 1% of employee compensation. Total employer expense for the year ended June 30, 2024 was \$17,903, and is included in payroll taxes and employee benefits in the consolidated schedules of program expenses.

For the Year Ended June 30, 2024

11. Employee Benefit Plans, continued

The Organization offered an executive employee selected by the Board of Directors a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). The plan permits the Board of Directors to approve additional compensation for the executive employee and to defer it on their behalf under the plan. In addition, the executive employee may defer additional amounts through salary reduction agreements. Both the Organization's contributions and executive employee contributions are subject to statutory limits. All deferred compensation under the plan is not available to the covered employee until termination, retirement, death or an unforeseeable emergency. All amounts of compensation deferred under the plan, all property, and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the covered employee or other beneficiary) solely the property and rights of the Organization, subject to the claims of the Organization's creditors.

During the year ending June 30, 2024, the Organization made contributions to the plan totaling \$12,600. Funds of the plan are invested in mutual funds as directed by the employee. These funds have a fair value of approximately \$26,900 as of June 30, 2024, and are presented as investment in deferred compensation plan with an offsetting obligation under deferred compensation plan in the consolidated statement of financial position.

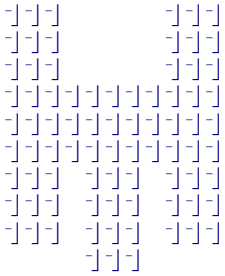
12. Concentration and Credit Risk

At various times during the year, the Organization may have more funds on deposit at financial institutions than the \$250,000 insured by the Federal Deposit Insurance Corporation and/or the National Credit Union Administration. Management believes its deposits are kept at high quality, regional banking and credit institutions. In Management's opinion, its cash balance does not represent unusual risk. As of June 30, 2024, there were approximately \$4,584,700 in uninsured cash balances.

The Organization receives the majority of its funding from public sources and is, therefore, dependent upon the availability of federal, state, and county grants and awards for its continued existence. The Organization currently receives approximately 5% of its cash funding from Palm Beach County, 4% from National Suicide Prevention Lifeline, 30% from the Southeast Florida Behavioral Health Network, 11% collectively from six local Children's Services Councils, 7% collectively from six local United Way chapters, and approximately 43% from various others. Any significant reduction in the level of one of the support sources described above, if it were to occur, could have a material effect on the Organization's programs and activities.

13. Subsequent Event***Date of Management Evaluation***

Management has assessed subsequent events through January 24, 2025, the date the consolidated financial statements were available to be issued and has determined there were no events to disclose in these consolidated financial statements.



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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 of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of 211 Palm Beach/Treasure Coast, Inc. (a non-profit organization), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 24, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of 211 Palm Beach/Treasure Coast Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

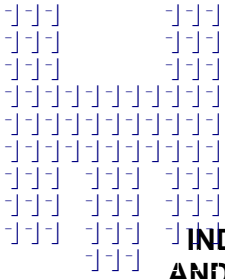
As part of obtaining reasonable assurance about whether 211 Palm Beach/Treasure Coast, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 211 Palm Beach/Treasure Coast, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering 211 Palm Beach/Treasure Coast, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Holyfield & Thomas, LLC

West Palm Beach, Florida
January 24, 2025



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Board of Directors of
211 Palm Beach/Treasure Coast, Inc.
Lantana, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited 211 Palm Beach/Treasure Coast, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of 211 Palm Beach/Treasure Coast, Inc.'s major federal programs for the year ended June 30, 2024. 211 Palm Beach/Treasure Coast, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 211 Palm Beach/Treasure Coast, Inc. 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 for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of 211 Palm Beach/Treasure Coast, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of 211 Palm Beach/Treasure Coast, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to 211 Palm Beach/Treasure Coast, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 211 Palm Beach/Treasure Coast, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about 211 Palm Beach/Treasure Coast, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 211 Palm Beach/Treasure Coast, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of 211 Palm Beach/Treasure Coast, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of 211 Palm Beach/Treasure Coast, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

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

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

Holyfield & Thomas, LLC

West Palm Beach, Florida
January 24, 2025

For The Year Ended June 30, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Consolidated Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to consolidated financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor’s report issued on compliance on major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Major programs:

Federal Grantor

U.S. Department of Health and
Human Services

ALN Number

93.958

Name of Federal Program or Cluster:

Block Grants for Community
Mental Health Services

Dollar Threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as a low-risk auditee?

No

For The Year Ended June 30, 2024

SECTION II – CONSOLIDATED FINANCIAL STATEMENT FINDINGS

There are no findings or questioned costs reported for the year ended June 30, 2024, relative to financial reporting for 211 Palm Beach/Treasure Coast, Inc.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no findings or questioned costs reported for the year ended June 30, 2024, relative to federal awards for the major federal program for 211 Palm Beach/Treasure Coast, Inc.

CORRECTIVE ACTION PLAN

There is no corrective action plan required, as there are no findings or question costs reported for the year ended June 30, 2024, with respect to federal awards.

PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior audit findings or questioned costs for the year ended June 30, 2023, relative to federal awards for the major federal program requiring action on the part of the auditee for that fiscal year.

SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor Program or Cluster Title	ALN / Award Number	Federal Expenditures
US Department of Health and Human Services		
Passed through from Southeast Florida Behavioral Health Network		
Block Grants for Community Mental Health Services	93.958 LFT09	\$ 978,200
Passed through from First Call for Help of Broward, Inc.		
Block Grants for Community Mental Health Services	93.958	
First Responders Grant	LH839	<u>233,623</u>
		1,211,823
US Department of Health and Human Services		
Passed through from Southeast Florida Behavioral Health Network		
Substance Abuse and Mental Health Services Administration	93.243	
SA&MH Services -Projects of Regional & National Significance	LTF09	601,908
Passed through from 988 Suicide and Crisis Lifeline		
Substance Abuse and Mental Health Services Administration	93.243	
SA&MH Services -Projects of Regional & National Significance	S23-SM84816-001	<u>221,426</u>
Total federal expenditures		<u><u>\$ 2,035,157</u></u>

See independent auditor's report and accompanying notes to schedule of expenditures of federal awards

For The Year Ended June 30, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of 211 Palm Beach/Treasure Coast, Inc. under programs of the federal government for the year ended June 30, 2024. 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). Because the Schedule presents only a selected portion of the operations of 211 Palm Beach/Treasure Coast, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of 211 Palm Beach/Treasure Coast, Inc..

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

211 Palm Beach/Treasure Coast, Inc. has elected not to use the 10% de minimis indirect cost allowed under the Uniform Guidance.

See independent auditor's report.

For the Year Ended June 30, 2024

	Resource Center									Totals
	Palm Beach County	Treasure Coast	988 Lifeline	First Responder	Elder Crisis Outreach	Special Needs	Help Me Grow	My Florida Veteran	Sunshine Services	
Salaries and wages	\$ 1,277,225	\$ 514,918	\$ 151,985	\$ 177,354	\$ 168,593	\$ 108,678	\$ 417,308	\$ 113,861	\$ 167,437	\$ 3,097,359
Payroll taxes and employee benefits	243,189	95,869	33,080	31,625	41,969	18,210	85,962	25,106	27,603	602,613
Total salaries and related expenses	1,520,414	610,787	185,065	208,979	210,562	126,888	503,270	138,967	195,040	3,699,972
Advertising and promotion	1,152	439	741	297	291	193	3,244	203	606	7,166
Computer software and support	46,467	22,464	7,162	4,821	4,937	3,240	5,669	3,210	7,872	105,842
Direct assistance to individuals	-	-	-	-	966	-	-	300	-	1,266
Equipment rental and maintenance	13,061	93,597	1,842	1,055	163	183	7,123	114	513	117,651
Insurance	27,244	10,500	5,533	3,126	3,138	2,028	10,272	2,184	3,415	67,440
Licenses, dues, and subscriptions	5,222	1,727	763	480	612	310	2,223	335	550	12,222
Mortgage interest	2,106	837	-	-	-	-	-	-	-	2,943
Occupancy	18,095	7,183	4,619	2,103	2,078	1,365	13,143	1,449	2,267	52,302
Operating supplies	4,793	2,003	1,302	458	445	396	23,530	311	487	33,725
Other	1,044	518	182	134	135	86	772	100	147	3,118
Payroll	2,129	844	563	247	243	160	773	169	265	5,393
Postage	1,533	601	546	169	162	111	1,153	114	577	4,966
Professional services	70,106	82,707	8,917	3,637	4,462	3,260	12,244	2,982	5,507	193,822
Staff training	11,868	4,978	420	85	101	74	1,842	526	114	20,008
Telephone	68,507	35,713	15,540	8,131	7,286	4,613	18,133	5,076	10,594	173,593
Travel	16,027	3,913	-	71	296	299	7,288	578	3,282	31,754
Total expenses before depreciation	1,809,768	878,811	233,195	233,793	235,877	143,206	610,679	156,618	231,236	4,533,183
Depreciation	2,165	887	1,356	289	306	193	720	216	328	6,460
Total functional expenses	\$ 1,811,933	\$ 879,698	\$ 234,551	\$ 234,082	\$ 236,183	\$ 143,399	\$ 611,399	\$ 156,834	\$ 231,564	\$ 4,539,643

See Independent auditor's report

For the Year Ended June 30, 2024

Total Expenditures	\$ 5,541,294
Less Other State and Federal Funds	(467,996)
Less Non-Match SAMH Funds	-
Less Unallowable Costs per 65E-14, F.A.C.	<u>-</u>
Total Allowable Expenditures	5,073,298
	<u> x 75%</u>
Maximum Available Earnings	3,804,974
Amount of State Funds Requiring Match	<u>2,452,837</u>
Amount (Due) to Department	<u><u>\$ 1,352,137</u></u>

See independent auditor's report.

For the Year Ended June 30, 2024

	State-Designated SAMH Covered Center				Total SAMH Funding	Non-State Funded	Non- SAMH	Total
	Circuit 15		Circuit 19					
	Mental Health	Substance Abuse	Mental Health	Substance Abuse				
Government funding:								
State funding	\$ 145,193	\$ -	\$ 104,807	\$ -	\$ 250,000	\$ -	\$ 246,570	\$ 496,570
Local government	-	-	-	-	-	590,494	793,143	1,383,637
Federal grants and contracts	1,239,451	-	963,386	-	2,202,837	-	221,426	2,424,263
Total government funding	1,384,644	-	1,068,193	-	2,452,837	590,494	1,261,139	4,304,470
All other revenues:								
Contributions and donations	-	-	-	-	-	84,079	1,283,704	1,367,783
Other grants and contracts	-	-	-	-	-	764,275	232,368	996,643
Total all other revenues	-	-	-	-	-	848,354	1,516,072	2,364,426
Total funding sources and revenues	\$1,384,644	\$ -	\$1,068,193	\$ -	\$2,452,837	\$1,438,848	\$2,777,211	\$6,668,896

See independent auditor's report.

For the Year Ended June 30, 2024

	Mental Health	Substance Abuse	Total SAMH Funding	Non-State Funded	Total Services	Non- SAMH	Other Support Cost	Administration	Total Expenses
Personnel expenses:									
Salaries and wages	\$ 1,153,426	\$ -	\$ 1,153,426	\$ 638,716	\$ 1,792,142	\$ 1,305,217	\$ 102,815	\$ 205,301	\$ 3,405,475
Fringe benefits	156,516	-	156,516	182,541	339,057	263,555	21,417	35,371	659,400
Total personnel expenses	1,309,942	-	1,309,942	821,257	2,131,199	1,568,772	124,232	240,672	4,064,875
Operating expenses:									
Building occupancy	12,650	-	12,650	12,628	25,278	27,023	7,462	7,231	66,994
Professional services	105,307	-	105,307	50,479	155,786	253,821	6,364	13,570	429,541
Travel	10,052	-	10,052	9,888	19,940	11,902	613	930	33,385
Equipment	214,999	-	214,999	35,788	250,787	53,898	6,778	6,059	317,522
Subcontracted services	13,156	-	13,156	6,563	19,719	4,621	-	-	24,340
Insurance	22,832	-	22,832	14,911	37,743	29,695	1,972	2,745	72,155
Interest paid	1,477	-	1,477	1,466	2,943	-	408	2,898	6,249
Operating supplies and expense	76,717	-	76,717	43,661	120,378	191,133	159,165	24,473	495,149
Other bad debt	-	-	-	3,052	3,052	3,409	24,204	419	31,084
Total operating expenses	457,190	-	457,190	178,436	635,626	575,502	206,966	58,325	1,476,419
Total expenses	1,767,132	-	1,767,132	999,693	2,766,825	2,144,274	331,198	298,997	5,541,294
Less distributed indirect cost									
Other support cost	-	-	-	-	-	331,198	(331,198)	-	-
Administration	-	-	-	-	-	298,997	-	(298,997)	-
Total distributed indirect cost	-	-	-	-	-	630,195	(331,198)	(298,997)	-
Total actual expenses	\$ 1,767,132	\$ -	\$ 1,767,132	\$ 999,693	\$ 2,766,825	\$ 2,774,469	\$ -	\$ -	\$ 5,541,294

See independent auditor's report.