

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

REPORT ON AUDIT OF COMBINED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED SEPTEMBER 30, 2022
(WITH COMPARATIVE TOTALS FOR 2021)**

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

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Independent Auditor's Report

Board of Directors
Children's Case Management Organization, Inc.
d/b/a Families First of Palm Beach County and
Families First of Palm Beach County Foundation, Inc.
West Palm Beach, Florida

Opinion

We have audited the accompanying combined financial statements of Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County (a nonprofit organization) and Families First of Palm Beach County Foundation, Inc. (also a nonprofit organization) (combined, hereinafter referred to as the Organization), which comprise the combined statement of financial position as of September 30, 2022, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Organization as of September 30, 2022, and the combined changes in their net assets and their combined 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 Case Management Organization, Inc. d/b/a Families First of Palm Beach County and Families First of Palm Beach County Foundation, 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 these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined 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 a substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 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 combined 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 combined 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 combined 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 Case Management Organization, Inc. d/b/a Families First of Palm Beach County and Families First of Palm Beach County Foundation, 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County and Families First of Palm Beach County Foundation, 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.

Other Matters

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Combining Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying combining information as of and for the year ended September 30, 2022 is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities, and it is not a required part of the combined 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 combined financial statements. The combining information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Report on Summarized Comparative Information

The summarized comparative information presented herein as of and for the year ended September 30, 2021 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Templeton & Company, LLP

West Palm Beach, Florida
December 12, 2022

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

COMBINED STATEMENT OF FINANCIAL POSITION

**As of September 30, 2022
(with comparative totals for 2021)**

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 843,568	\$ 130,777	\$ 974,345	\$ 821,064
Investments (Note 3)	933,328	144,729	1,078,057	1,258,118
Program funds receivable (Note 5)	-	436,853	436,853	501,685
Prepaid expenses	111,951	-	111,951	62,266
Total current assets	1,888,847	712,359	2,601,206	2,643,133
Property and equipment, net (Note 6)	73,530	-	73,530	110,592
Total assets	<u>\$ 1,962,377</u>	<u>\$ 712,359</u>	<u>\$ 2,674,736</u>	<u>\$ 2,753,725</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 249,187	\$ -	\$ 249,187	\$ 208,321
Deferred revenue	194,824	-	194,824	282,336
Total current liabilities	444,011	-	444,011	490,657
Total liabilities	444,011	-	444,011	490,657
Net assets:				
Without donor restrictions	1,518,366	-	1,518,366	1,820,559
With donor restrictions (Note 9)	-	712,359	712,359	442,509
Total net assets	1,518,366	712,359	2,230,725	2,263,068
Total liabilities and net assets	<u>\$ 1,962,377</u>	<u>\$ 712,359</u>	<u>\$ 2,674,736</u>	<u>\$ 2,753,725</u>

See notes to combined financial statements.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

**COMBINED STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022
(with comparative totals for 2021)**

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Revenues and support:				
Government support	\$ -	\$ 4,303,304	\$ 4,303,304	\$ 4,301,978
Community support	-	200,904	200,904	177,774
Foundation grants	54,580	885,720	940,300	735,039
Other support	41,589	34,874	76,463	139,928
Fundraising	43,437	107,554	150,991	104,999
In-kind revenue	9,496	-	9,496	19,595
Net investment (loss) return	(107,879)	(92,728)	(200,607)	135,956
Conditional loan forgiveness (Note 7)	-	-	-	495,897
	<u>41,223</u>	<u>5,439,628</u>	<u>5,480,851</u>	<u>6,111,166</u>
Total revenues and support				
Net assets released from restrictions	<u>5,169,778</u>	<u>(5,169,778)</u>	<u>-</u>	<u>-</u>
	<u>5,211,001</u>	<u>269,850</u>	<u>5,480,851</u>	<u>6,111,166</u>
Expenses:				
Program services:				
Healthy Families Florida	1,839,394	-	1,839,394	1,842,941
Child First	834,473	-	834,473	854,288
Behavioral Health Services	1,024,237	-	1,024,237	977,513
Bridges to Success	329,235	-	329,235	331,961
Kin Support Project	271,072	-	271,072	263,353
Target Outreach for Pregnant Women	393,919	-	393,919	425,054
Infant Mental Health	35,174	-	35,174	68,053
Other program services	2,920	-	2,920	9,737
Supporting services:				
Management and general	751,774	-	751,774	625,553
Fundraising	30,996	-	30,996	24,598
Total expenses	<u>5,513,194</u>	<u>-</u>	<u>5,513,194</u>	<u>5,423,051</u>
Change in net assets	(302,193)	269,850	(32,343)	688,115
Net assets - beginning of year	<u>1,820,559</u>	<u>442,509</u>	<u>2,263,068</u>	<u>1,574,953</u>
Net assets - end of year	<u>\$ 1,518,366</u>	<u>\$ 712,359</u>	<u>\$ 2,230,725</u>	<u>\$ 2,263,068</u>

See notes to combined financial statements.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2022
(with comparative totals for 2021)**

	Program Services							2022 Total	2021 Total	
	Healthy Families Florida	Child First	Behavioral Health Services	Bridges To Success	Kin Support Project	Targeted Outreach for Pregnant Women	Infant Mental Health			Other Program Services
Special assistance expenses:										
Food	\$ 3,690	\$ 301	\$ -	\$ 376	\$ -	\$ -	\$ -	\$ -	\$ 4,367	\$ 9,942
Rent/mortgage	-	-	-	147,395	-	-	-	-	147,395	142,777
Utilities	134	259	-	5,754	-	-	-	-	6,147	8,691
Other expense	3,259	6,032	452	8,279	-	-	-	1,688	19,710	29,657
Personnel expenses:										
Salaries	1,081,071	504,816	754,519	112,374	195,523	276,270	20,820	-	2,945,393	3,039,331
Payroll taxes and benefits	375,723	141,362	176,639	29,153	41,450	63,837	2,337	-	830,501	817,898
Occupancy expenses:										
Rent	131,956	93,487	30,305	8,834	13,129	14,998	1,191	-	293,900	286,449
Repairs and maintenance	21,641	7,244	2,379	4,137	758	1,096	-	-	37,255	34,700
Utilities	36,889	17,916	9,888	1,239	2,960	4,342	554	-	73,788	72,013
Office and administrative:										
Printing and postage	9,195	3,448	1,479	367	845	720	35	-	16,089	19,335
Supplies	27,827	8,325	2,107	715	1,009	4,497	4,958	-	49,438	51,648
Legal and audit	13,670	4,743	2,232	2,187	1,395	1,395	-	-	25,622	27,471
Consulting and professional fees	54,679	18,502	20,089	3,855	7,117	7,047	-	-	111,289	105,375
Insurance	15,950	5,534	2,604	651	1,628	1,628	-	-	27,995	25,715
Other expenses:										
Conferences and travel	34,062	15,844	10,789	1,360	3,523	16,567	209	-	82,354	59,271
Special events	5,000	-	-	-	568	282	-	1,232	7,082	5,769
Dues and subscriptions	12,840	4,103	1,461	332	713	915	52	-	20,416	7,772
Training and development	2,827	2,147	363	2,081	114	161	3,295	-	10,988	12,990
Miscellaneous expenses	4,860	410	8,931	146	340	164	1,723	-	16,574	11,975
Affiliated organizations	4,121	-	-	-	-	-	-	-	4,121	4,121
	<u>\$ 1,839,394</u>	<u>\$ 834,473</u>	<u>\$ 1,024,237</u>	<u>\$ 329,235</u>	<u>\$ 271,072</u>	<u>\$ 393,919</u>	<u>\$ 35,174</u>	<u>\$ 2,920</u>	<u>\$ 4,730,424</u>	<u>\$ 4,772,900</u>

See notes to combined financial statements.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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**COMBINED STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
For the Year Ended September 30, 2022
(with comparative totals for 2021)**

	Supporting Services					
	Management and General	Fundraising	2022 Total	2021 Total	2022 Total	2021 Total
Special assistance expenses:						
Food	\$ 4	\$ -	\$ 4	\$ 9,312	\$ 4,371	\$ 19,254
Rent/mortgage	13,152	-	13,152	4,145	160,547	146,922
Utilities	3,811	-	3,811	3,512	9,958	12,203
Other expense	57,041	-	57,041	28,376	76,751	58,033
Personnel expenses:						
Salaries	335,284	-	335,284	276,158	3,280,677	3,315,489
Payroll taxes and benefits	157,766	-	157,766	161,850	988,267	979,748
Occupancy expenses:						
Rent	36,840	-	36,840	36,190	330,740	322,639
Repairs and maintenance	1,989	-	1,989	1,514	39,244	36,214
Utilities	6,035	-	6,035	5,682	79,823	77,695
Office and administrative:						
Printing and postage	4,897	-	4,897	3,123	20,986	22,458
Supplies	6,922	-	6,922	2,717	56,360	54,365
Legal and audit	3,906	-	3,906	4,187	29,528	31,658
Consulting and professional fees	23,772	-	23,772	15,325	135,061	120,700
Insurance	4,557	-	4,557	3,968	32,552	29,683
Other expenses:						
Conferences and travel	2,036	-	2,036	806	84,390	60,077
Special events	7,221	16,146	23,367	27,853	30,449	33,622
Dues and subscriptions	4,331	-	4,331	2,701	24,747	10,473
Training and development	10,393	-	10,393	180	21,381	13,170
Awards and grants	5,456	-	5,456	-	5,456	-
Miscellaneous expenses	6,882	14,850	21,732	6,882	38,306	18,857
Affiliated organizations	-	-	-	-	4,121	4,121
Bank charges and credit card fees	8,083	-	8,083	5,910	8,083	5,910
Depreciation	51,396	-	51,396	49,760	51,396	49,760
	<u>\$ 751,774</u>	<u>\$ 30,996</u>	<u>\$ 782,770</u>	<u>\$ 650,151</u>	<u>\$ 5,513,194</u>	<u>\$ 5,423,051</u>

See notes to combined financial statements.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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**COMBINED STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2022
(with comparative totals for 2021)**

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (32,343)	\$ 688,115
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	51,396	49,760
Net realized and unrealized loss (gain) on investments	140,676	(54,899)
Conditional loan forgiveness - Paycheck Protection Program loan	-	(495,897)
Changes in operating assets and liabilities:		
Program funds receivable	64,852	(4,838)
Prepaid expenses	(49,685)	41,766
Accounts payable and accrued expenses	41,452	44,856
Deferred revenue	(87,512)	70,781
Net cash provided by operating activities	128,836	339,644
Cash flows from investing activities:		
Purchase of property and equipment	(14,940)	(21,476)
Sale (purchase) of investments, net	39,385	(351,228)
Net cash provided by (used in) investing activities	24,445	(372,704)
Increase (decrease) in cash and cash equivalents	153,281	(33,060)
Cash and cash equivalents at beginning of year	821,064	854,124
Cash and cash equivalents at end of year	\$ 974,345	\$ 821,064

See notes to combined financial statements.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of activities

Since 1990, Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County, a Florida non-profit corporation, has served over 51,000 children and families. The mission is empowering families of all histories and challenges to grow strong in every way. Families First prevention and early intervention programs reduce rates of domestic violence, poverty, homelessness, and addiction, directly attacking the issues that keep families in a state of trauma and threaten a child's growth and development.

Families First Maternal and Infant Mental Health Programs support children and families at the earliest point possible, from prenatal care to age six. We build strength across communities through outreach and the delivery of our proven programs, Healthy Families, Child First, and Infant Mental Health.

- **Targeted Outreach for Pregnant Women (TOPWA)** conducts street outreach to marginalized high-risk pregnant women providing education, advocacy, and connection to appropriate health care resources and medical services. 100% success rate with babies born HIV negative.
- **Healthy Families Florida** is a nationally accredited family support and coaching program that helps parents provide the safe and stable environments children need for healthy growth and development. The program improves childhood outcomes and increases family self-sufficiency by empowering families through education and community support. 100% of children remained free from abuse and neglect during service and 100% of children were free from abuse and neglect post service one-year follow up.
- **Child First** provides a professional team (developmental clinician and care coordinator) offering early childhood intervention services (dyadic therapy, parent education, advocacy and linkage to meet basic needs) to vulnerable families with children (birth to age six), experiencing trauma. 74.3% completed services successfully. Of the families discharged, 96% of those families improved in at least one domain.
- **Infant Mental Health** is the developing capacity of the child from birth to three to experience, regulate (manage), and express emotions; from close and secure interpersonal relationships; and explore and master the environment and learn all in the context of family, community, and cultural expectations for young children. 80% of the caregiver-child dyads increased safety and security within the parent/child relationship so the child will return to a normal developmental trajectory.

Families First Behavioral Health and Community Support Programs support families with children ages 6 to 22, including help for kinship or guardian care givers and assistance with stable housing. Here is where we build resilience: given tools and encouragement, children and families can learn and practice skills to overcome hardship. When future challenges come, they are faced from a place of confidence, resourcefulness, and strength.

- **Behavioral Health Services (BHS)** provides trauma informed therapeutic intervention services to high-risk children/youth (ages six through twenty-two) and their families. 99.1% of children/youth maintained stable behaviors in their home and school.
- **Bridges to Success** provides intervention services and affordable safe housing for homeless children and families. 100% of families remained housing stable. 86% of families maintained income including wages and/or benefits.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

- **Kin Support Project** provides counseling support, education, advocacy and critical linkages to community resources (legal, health, basic needs, etc.) to vulnerable relative caregiver children and their families. 99% of relative caregiver children were not removed and placed in the foster care system.

In April 2012, Families First of Palm Beach County Foundation, Inc. (the Foundation) was created specifically to promote and support the mission, goals and activities of the Children's Case Management Organization, Inc. (the Corporation). The Corporation and the Foundation (combined hereinafter referred to as the Organization) are presented in these financial statements on a combined basis.

Principles of combination

The accompanying combined financial statements include the accounts of the Corporation and the Foundation. Intercompany transactions, balances, and profits are eliminated in the combined financial statements.

Basis of presentation

The accompanying combined financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States (U.S. GAAP).

Net assets without donor restrictions – Net assets available for the support of the Organization's operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purpose specified in the corporate documents and its application for tax-exempt status, and any limits resulting from contractual arrangements with creditors or others that are entered into in the course of operations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization or the passage of time and net assets subject to donor-imposed stipulations to be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the earnings on related investments for general or specific purposes. The Organization's unspent contributions are included in this class if the donor limited their use, as are its donor-imposed endowment funds.

When a donor's restriction is satisfied either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the combined financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Net assets restricted for acquisition of building or equipment (or less commonly the contribution of those assets directly) are reported as net assets with donor restrictions until the specified assets are placed in service by the Organization, unless the donor provided more specific directions about the period of its use.

Classification of transactions

All revenues and net gains are reported as increases in net assets without donor restrictions in the combined statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses, other than losses on endowment investments, are reported as decreases in net assets without donor restrictions. Net gains on endowment investments increase net assets with donor restrictions, and net losses on endowment investments reduce that net asset class.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

Revenue and support recognition

The Organization recognizes revenue from supporting activities in the period that the supporting activity is provided, and amounts received in advance are recorded as deferred revenue.

Contributions

Unconditional promises (contributions and grants) to give are recognized as contributions when the promise is received. Unconditional promises to give that are expected to be collected in less than one year are reported at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows.

Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible promises to give is determined based on management's evaluation of the collectability of individual promises. Promises that remain uncollected more than one year after their due dates are written off unless the donor indicates that payment is merely postponed.

The Organization reports non-cash contributions as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as donor restricted contributions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Grants

Resources from government grants and conditional promises to give, are recorded as revenue when the related costs are incurred. All other grants, unless restricted, are recorded as revenue when the grant is awarded.

Cash and cash equivalents

Cash and cash equivalents include non-interest bearing accounts, interest bearing accounts, and other highly liquid investments with an original maturity of three months or less. For the year ended September 30, 2022, there were no restricted cash balances with donor imposed restrictions included in cash and cash equivalents.

Investments

Investments include equity funds and marketable securities, mutual funds, corporate bonds, fixed income funds, and a donor advised account. Investments, other than the donor advised account, are measured at fair value based on quoted market prices. The donor advised account is redeemable based on its net asset value (NAV). The resulting fair value is intended to represent a good faith approximation of the amount that the funds could reasonably expect to receive from the investment if the interest were sold at the time of valuation, based on information reasonably available to the manager at the time the valuation is made.

Investment income and realized gains and losses on investments are recognized upon realization. Unrealized gains and losses are recognized based on changes in fair values during the period. Net investment returns or losses are reported in appropriate net asset classifications based upon the existence of donor restrictions, if any.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

Investments, continued

Investments are exposed to various risks such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in values of investments will occur in the near-term.

Property and equipment

Property and equipment is stated at cost if purchased or, if acquired by contribution, at the estimated fair market value on the date of contribution. The Organization's policy is to capitalize assets greater than \$2,500 at acquisition. The Organization provides for depreciation on property and equipment over the estimated useful lives of the related assets using the straight-line method ranging from 5 to 7 years.

Income taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC). Accordingly, no provision for income taxes has been recorded in the combined financial statements. The Organization is required to operate in conformity with the provisions of the IRC to maintain its exempt status.

Management analyzes tax positions in jurisdictions where it is required to file income tax returns. Based on its evaluation, management did not identify any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease. Interest and penalties attributable to income taxes, if any, are included in operating expenses. No such interest or penalties were recorded for the years 2022 or 2021. The Organization is no longer subject to income tax examinations for fiscal years prior to 2019.

Compensated absences

The Organization accrues vacation pay as a liability when benefits are earned by employees which occurs when (1) the employee has performed services that give rise to the vacation liability and (2) it is probable that the benefits will result in compensation in some manner such as in cash, termination payments or in time off, prior to retirement. The Organization allows employees to accumulate and carry over up to forty (40) hours of unused vacation leave.

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States America requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period and the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Fair value disclosures

The combined financial statements provide for fair value disclosures for financial instruments for which it is practicable to estimate fair value. The fair value of the Organization's cash and cash equivalents, program funds receivable, and liabilities approximates their carrying value.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 1 – Nature of Activities and Summary of Significant Accounting Policies, Continued

Functional allocation of expenses

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis in the accompanying combined statement of activities. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- All allowable costs are charged directly to programs, grants, activity, etc.
- Allowable direct costs that can be identified to more than one program are prorated individually as direct costs using a base most appropriate to the particular cost being prorated.
- All other allowable general and administrative costs (costs that benefit all programs and cannot be identified to a specific program) are allocated to programs, grants, etc. using a basis that results in an equitable distribution.

Management periodically evaluates the basis on which the costs are allocated when new space or programs are added. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct its fundraising activities in conjunction with other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and general and administrative expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

New accounting pronouncement

In February 2016, the FASB issued guidance on lease accounting. The new guidance will continue to classify leases as either finance or operating and will result in the lessee recording a right-of-use asset and a corresponding lease liability on its balance sheet, with classification affecting the presentation for annual periods beginning on or after December 15, 2021, and early adoption is permitted. A modified retrospective approach is required for all leases existing or entered into after the beginning of the earliest comparative period in the financial statements. Management evaluated the impact of this guidance on its financial statements and determined that the impact of this ASU will not be material to its financial statements.

Note 2 – Liquidity and Availability of Resources

Financial assets available for general expenditures within one year of September 30, 2022 are as follows:

Financial assets:	
Cash and cash equivalents	\$ 974,345
Investments	1,078,057
Program funds receivable	<u>436,853</u>
Total financial assets	2,489,255
Less financial assets held to meet donor-imposed restrictions:	
Purpose-restricted net assets (Note 9)	(567,630)
Less financial assets not available within one year:	
Board-designated endowment fund (Note 9)	<u>(144,729)</u>
Amount available for general expenditures within one year	<u>\$ 1,776,896</u>

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 2 – Liquidity and Availability of Resources, Continued

The above table reflects donor-restricted and any board-designated endowment funds as unavailable because it is the Organization's intention to invest those resources for the long-term support of the Organization's programs. However, in the case of need, the Board of Directors could appropriate resources from the donor restricted funds available or board-designated endowment funds, for general use. Note 10 provides more information about those funds and about the spending policies for all endowment funds.

As part of the Organization's liquidity management plan, the Organization invests cash in excess of daily requirements in cash equivalents and short-term investments.

Note 3 – Investments

Investments at September 30, 2022 are summarized as follows:

Equity funds and marketable securities	\$ 240,406
Fixed income funds	288,769
Corporate bonds	67,180
Mutual funds	336,973
Donor advised account	<u>144,729</u>
Total	<u>\$ 1,078,057</u>

Note 4 – Fair Value Measurements

Accounting guidance establishes 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 ASC 820 are described below:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 – Quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of the fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Investments are measured at fair value. Accounting guidance provides for the use of NAV as a practical expedient for estimating the fair value of the fixed income funds and private funds. Accordingly, NAV reported by fund management is used to estimate the fair value of the Organization's interest.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED**

Note 4 – Fair Value Measurements, Continued

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no significant changes in the methodologies used during the year ended September 30, 2022:

Equity funds and marketable securities – determined at the reported daily market value of the equity funds and marketable securities.

Fixed income funds - Fixed income securities are valued using methods, such as dealer quotes, available trade information, spreads, bids and offers provided by a pricing vendor.

Corporate bonds – corporate bonds are valued based on the last trade price of the fiscal year. When a bond has not been traded on the last day of the fiscal year, the price is obtained from an independent third party pricing company.

Mutual funds - Required to publish their daily NAV and to transact at that price. The mutual funds are deemed to be actively traded.

Donor advised account - The donor advised account with Community Foundation for Palm Beach and Martin Counties (Community Foundation) is valued at the NAV of the account at the end of the year.

The following table summarizes the Organization's determination of fair value as of September 30, 2022 on the following financial assets using these input levels that are measured at fair value on a recurring basis:

	Fair Value Measurements as of September 30, 2022			
	Level 1	Level 2	Level 3	Fair Value Total
Investments:				
Equity funds and marketable securities	\$ 240,406	\$ -	\$ -	\$ 240,406
Fixed income funds	288,769	-	-	288,769
Corporate bonds	67,180	-	-	67,180
Mutual funds	<u>336,973</u>	<u>-</u>	<u>-</u>	<u>336,973</u>
Subtotal	932,683	-	-	932,683
Donor advised account	<u>-</u>	<u>-</u>	<u>144,729</u>	<u>144,729</u>
Total investments	<u>\$ 933,328</u>	<u>\$ -</u>	<u>\$ 144,729</u>	<u>\$ 1,078,057</u>

The following is a schedule of Level 3 investment activity, which is comprised of funds with the Community Foundation, for the year ended September 30, 2022 measured on a recurring basis using significant unobservable inputs:

	Donor Advised Account
Balance as of October 1, 2021	\$ 162,214
Net investment return (loss)	(17,114)
Fees	<u>(371)</u>
Balance as of September 30, 2022	<u>\$ 144,729</u>

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED**

Note 5 – Program Funds Receivable

Program funds receivable are collectible in less than one year and consist of the following at September 30, 2022:

Children's Services Council	\$ 266,265
Ounce of Prevention Fund	59,367
The Florida Department of Health	28,340
School District of Palm Beach County	39,740
Other	<u>43,141</u>
Total	<u>\$ 436,853</u>

Note 6 – Property and Equipment

The following is a summary of property and equipment as of September 30, 2022:

Computer equipment	\$ 310,274
Office equipment	65,611
Furniture and fixtures	<u>18,217</u>
Subtotal	394,102
Less accumulated depreciation	<u>320,572</u>
Property and equipment, net	<u>\$ 73,530</u>

Depreciation expense for the year ended September 30, 2022 amounted to \$51,396.

Note 7 – Paycheck Protection Program Loan

During April 2020, the Organization applied for and received a loan from an unrelated third-party lender pursuant to the Paycheck Protection Program (the PPP) under the Coronavirus Aid, Relief and Economic Security Act (the CARES Act), enacted March 27, 2020, in the principal amount of \$495,897. The PPP Loan to the Organization was fully forgiven by the U.S. Small Business Administration (SBA) with accrued interest on the principal amount forgiven by the lender. The Organization classified and reported the loan as conditionally forgiven in the statement of activities for the year ended September 30, 2021.

Note 8 – Lease Commitment

The Organization conducts its community service programs from facilities it leases in West Palm Beach, Belle Glade, and Wellington. The lease for the main offices in West Palm Beach is for 60 months and expires September 30, 2023. The Organization leases the facility in Belle Glade on a month-to-month basis. The Organization also has a three-year lease for the Wellington facility; which expires on August 31, 2023. In addition, the Organization leases office equipment at \$1,599 per month through September 30, 2023. Total rent and equipment lease expenses for the year ended September 30, 2022 was \$330,738.

Minimum future rental payments due under these leases as of September 30, 2022 is as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2023	<u>\$ 361,416</u>

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED**

Note 9 – Net Assets with Donor Restrictions

At September 30, 2022, net assets with donor restrictions are restricted for the following purposes or periods:

Purpose and time restricted:	
Seasons to Share	\$ 28,333
Behavioral Health Services	103,603
Targeted Outreach for Pregnant Women	175,294
Child First and other	<u>260,400</u>
Total purpose and time restricted net assets	567,630
Perpetual in nature:	
Community Foundation	<u>144,729</u>
Total net assets with donor restrictions	<u>\$ 712,359</u>

Net assets are released from donor restrictions by incurring costs or expenses fulfilling the purpose of the restriction or by the occurrence of events as specified by the donors.

Net assets were used in accordance with donor-imposed restrictions during the year ended September 30, 2022 for the following purposes:

Purpose of restriction:	
Healthy Families Florida	\$ 2,113,169
Child First	974,382
Behavioral Health Services	993,620
Targeted Outreach for Pregnant Women	379,176
Bridges to Success	380,134
Kin Support Project	277,674
Other	<u>51,623</u>
Total net assets released from restrictions	<u>\$ 5,169,778</u>

Note 10 – Endowment

The Organization's endowment was established in May 2013 and consists of a fund held by the Community Foundation whose investment guidelines are used to govern the investment decisions of the endowed funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted and Board designated endowments may fall below the level that the donor or Board requires the Organization to retain as a fund of perpetual duration. There were no such funds with deficiencies as of September 30, 2022.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
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NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED**

Note 10 – Endowment, Continued

Return objectives and risk parameters

The Community Foundation has investment and spending guidelines for endowment assets that attempt to provide a predictable stream of funding to specified programs supported by its endowment while seeking to maintain purchasing power of the assets. Under these guidelines, the assets are invested in a manner that is intended to produce results that exceed the price and yield results of multiple benchmarks based on the type of investment, while assuming a moderate level of investment risk.

Strategies employed to achieve objectives

To satisfy its long-term rate-of-return objectives, the Organization relies the Community Foundation's guidelines for investment making decisions implementing a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Community Foundation targets a diversified allocation of the investments to achieve its long-term return objectives within prudent risk constraints.

Changes in endowment net assets for the year ended September 30, 2022 are presented as follows:

	Total
Endowment net assets, October 1, 2021	\$ 655,088
Activities during the year ended September 30, 2022:	
Net investment return (loss)	(110,139)
Contributions	322,839
Appropriations for endowment expenditures	(300,158)
Endowment net assets, September 30, 2022	\$ 567,630

Note 11 – Pension Plan

The Organization maintains a defined contribution pension plan that covers effectively all employees. Organization contributions to the Plan for the year ended September 30, 2022 totaled \$158,338.

Note 12 – Contingencies

The Organization receives financial assistance from a local special district and other local governmental agencies in the form of grants. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that the liability, if any, for any reimbursement which may arise as the result of audits would not be material. The Organization is subject to certain risks arising out of the ordinary course of business. It is the Organization's policy to record the expense and associated liability whenever a loss becomes probable and estimable. Management does not believe it has any material loss contingency exposure at September 30, 2022.

Note 13 – Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various bank deposit accounts which, at times, may exceed federally insured limits. Cash and cash equivalents exceeded the FDIC insured limit by \$612,802, at September 30, 2022. The Organization has not experienced any losses in such accounts.

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED**

Note 14 – Subsequent Events

Management evaluated activity of the Organization subsequent to September 30, 2022 through December 12, 2022, the date the combined financial statements were available to be issued, for events that require recognition in the combined financial statements or disclosure in the notes thereto.



Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*

To the Boards of Directors of
Children's Case Management Organization, Inc.
d/b/a Families First of Palm Beach County and
Family First of Palm Beach County Foundation, Inc.
West Palm Beach, 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 combined financial statements of Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County and Families First of Palm Beach County Foundation, Inc. (combined, the Organization), which comprise the combined statement of financial position as of September 30, 2022, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated December 12, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the combined 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 combined 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Templeton & Company, LLP

West Palm Beach, Florida
December 12, 2022

COMBINING INFORMATION

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

**COMBINING SCHEDULE - STATEMENT OF FINANCIAL POSITION INFORMATION
As of September 30, 2022**

	<u>Children's Case Management Organization, Inc.</u>	<u>Families First of Palm Beach County Foundation, Inc.</u>	<u>Eliminations</u>	<u>Combined Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 738,668	\$ 235,677	\$ -	\$ 974,345
Investments	596,355	481,702	-	1,078,057
Program funds receivable	638,818	(18,359)	(183,606)	436,853
Prepaid expenses	<u>110,238</u>	<u>1,713</u>	<u>-</u>	<u>111,951</u>
Total current assets	2,084,079	700,733	(183,606)	2,601,206
Property and equipment, net	<u>72,114</u>	<u>1,416</u>	<u>-</u>	<u>73,530</u>
Total assets	<u>\$ 2,156,193</u>	<u>\$ 702,149</u>	<u>\$ (183,606)</u>	<u>\$ 2,674,736</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 282,966	\$ 149,827	\$ (183,606)	\$ 249,187
Deferred revenue	<u>167,000</u>	<u>27,824</u>	<u>-</u>	<u>194,824</u>
Total current liabilities	449,966	177,651	(183,606)	444,011
Total liabilities	<u>449,966</u>	<u>177,651</u>	<u>(183,606)</u>	<u>444,011</u>
Net assets:				
Without donor restrictions	1,138,597	379,769	-	1,518,366
With donor restrictions	<u>567,630</u>	<u>144,729</u>	<u>-</u>	<u>712,359</u>
Total net assets	<u>1,706,227</u>	<u>524,498</u>	<u>-</u>	<u>2,230,725</u>
Total liabilities and net assets	<u>\$ 2,156,193</u>	<u>\$ 702,149</u>	<u>\$ (183,606)</u>	<u>\$ 2,674,736</u>

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

**COMBINING SCHEDULE - STATEMENT OF ACTIVITIES INFORMATION
For the Year Ended September 30, 2022**

	Children's Case Management Organization, Inc.	Families First of Palm Beach County Foundation, Inc.	Eliminations	Combined Total
Revenues and support:				
Government support	\$ 4,303,304	\$ -	\$ -	\$ 4,303,304
Community support	200,904	-	-	200,904
Foundation grants	935,300	5,000	-	940,300
Other support	41,589	34,874	-	76,463
Fundraising	43,437	107,554	-	150,991
In-kind revenue	9,496	-	-	9,496
Net investment loss	<u>(107,879)</u>	<u>(92,728)</u>	<u>-</u>	<u>(200,607)</u>
Total revenues and support	<u>5,426,151</u>	<u>54,700</u>	<u>-</u>	<u>5,480,851</u>
Expenses:				
Program services:				
Healthy Families Florida	1,839,394	-	-	1,839,394
Child First	834,473	-	-	834,473
Behavioral Health Services	1,024,237	-	-	1,024,237
Bridges to Success	329,235	-	-	329,235
Kin Support Project	271,072	-	-	271,072
Targeted Outreach for Pregnant Women	393,919	-	-	393,919
Infant Mental Health	35,174	-	-	35,174
Other program services	2,920	-	-	2,920
Supporting services:				
Management and general	575,936	175,838	-	751,774
Fundraising	<u>21,545</u>	<u>9,451</u>	<u>-</u>	<u>30,996</u>
Total expenses	<u>5,327,905</u>	<u>185,289</u>	<u>-</u>	<u>5,513,194</u>
Change in net assets	98,246	(130,589)	-	(32,343)
Net assets - beginning of year	<u>1,607,981</u>	<u>655,087</u>	<u>-</u>	<u>2,263,068</u>
Net assets - end of year	<u>\$ 1,706,227</u>	<u>\$ 524,498</u>	<u>\$ -</u>	<u>\$ 2,230,725</u>

**CHILDREN'S CASE MANAGEMENT ORGANIZATION, INC.
D/B/A FAMILIES FIRST OF PALM BEACH COUNTY AND
FAMILIES FIRST OF PALM BEACH COUNTY FOUNDATION, INC.**

**COMBINING SCHEDULE - STATEMENT OF CASH FLOWS INFORMATION
For the Year Ended September 30, 2022**

	Children's Case Management Organization, Inc.	Families First of Palm Beach County Foundation, Inc.	Eliminations	Combined Total
Cash flows from operating activities:				
Change in net assets	\$ 98,246	\$ (130,589)	\$ -	\$ (32,343)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation	51,380	16	-	51,396
Net realized and unrealized loss on investments	128,343	12,333	-	140,676
Changes in operating assets and liabilities:				
Program funds receivable	(101,826)	1,320	165,358	64,852
Prepaid expenses	(48,803)	(882)	-	(49,685)
Accounts payable and accrued expenses	42,516	164,294	(165,358)	41,452
Deferred revenue	(80,050)	(7,462)	-	(87,512)
Net cash provided by operating activities	<u>89,806</u>	<u>39,030</u>	<u>-</u>	<u>128,836</u>
Cash flows from investing activities:				
Purchase of property and equipment	(14,790)	(150)	-	(14,940)
Sale (purchase) of investments, net	<u>(12,736)</u>	<u>52,121</u>	<u>-</u>	<u>39,385</u>
Net cash provided by (used in) investing	<u>(27,526)</u>	<u>51,971</u>	<u>-</u>	<u>24,445</u>
Increase in cash and cash equivalents	62,280	91,001	-	153,281
Cash and cash equivalents at beginning of year	<u>676,388</u>	<u>144,676</u>	<u>-</u>	<u>821,064</u>
Cash and cash equivalents at end of year	<u>\$ 738,668</u>	<u>\$ 235,677</u>	<u>\$ -</u>	<u>\$ 974,345</u>