

**211 PALM BEACH/TREASURE COAST, INC.**

**REPORT ON AUDIT OF  
CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2022  
(with comparable totals for 2021)**

## TABLE OF CONTENTS

	<u>PAGE</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-3
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
Consolidated Statement of Financial Position	4
Consolidated Statement of Activities	5
Consolidated Statement of Cash Flows	6-7
Consolidated Statement of Functional Expenses	8-9
<b>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</b>	10-20
<b>INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROL AND COMPLIANCE</b>	
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>	21-22
<b>SUPPLEMENTARY INFORMATION</b>	
Consolidated Schedules of Program Expenses	23-24
Schedule of State Earnings	25
Schedule of Actual Revenues and Expenses	26-27



# Holyfield & Thomas, LLC

## Certified Public Accountants & Advisors

125 Butler Street • West Palm Beach, FL 33407  
(561) 689-6000 • Fax (561) 689-6001 • [www.holyfieldandthomas.com](http://www.holyfieldandthomas.com)

### INDEPENDENT AUDITOR'S REPORT

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

#### 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, 2022, 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 referred to above present fairly, in all material respects, the financial position of 211 Palm Beach/Treasure Coast, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 opinion.

#### 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Responsibility 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated 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 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 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.

### **Report on Summarized Comparative Information**

We have previously audited the 211 Palm Beach/Treasure Coast, Inc. 2021 consolidated financial statements, and our report dated November 15, 2021, 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, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2023, 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 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 211 Palm Beach/Treasure Coast, Inc.'s internal control over financial reporting and compliance.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidated schedules of program expenses on pages 23-24, State earnings on page 25, and Actual revenues and expenses on page 26-27 are presented for purposes of additional analysis and are not a required part of the 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.

*Holyfield & Thomas, LLC*

West Palm Beach, Florida  
February 14, 2023

*As of June 30, 2022**(with comparable totals for 2021)*

ASSETS	<u>2022</u>	<u>2021</u>
Current assets:		
Cash and cash equivalents	\$ 3,356,933	\$ 1,607,319
Grants and allocations receivable	285,099	271,434
Accounts receivable	7,000	6,000
Prepaid expenses and other assets	<u>82,272</u>	<u>135,392</u>
Total current assets	3,731,304	2,020,145
Investment in deferred compensation plan	8,782	7,637
Property and equipment, net	<u>356,269</u>	<u>419,706</u>
Total assets	<u>\$ 4,096,355</u>	<u>\$ 2,447,488</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 168,456	\$ 121,783
Current portion of mortgage payable	15,732	15,116
Deferred revenue	5,000	5,000
Refundable advance	98,120	58,248
Deposits	<u>7,910</u>	<u>3,000</u>
Total current liabilities	295,218	203,147
Mortgage payable, net of current portion	149,404	164,689
Obligation under deferred compensation plan	<u>8,782</u>	<u>7,637</u>
Total liabilities	<u>453,404</u>	<u>375,473</u>
Net assets:		
Without donor restrictions	3,177,844	1,858,683
With donor restrictions	<u>465,107</u>	<u>213,332</u>
Total net assets	<u>3,642,951</u>	<u>2,072,015</u>
Total liabilities and net assets	<u>\$ 4,096,355</u>	<u>\$ 2,447,488</u>

*See accompanying notes to consolidated financial statements.*

*For the Year Ended June 30, 2022**(with comparable totals for 2021)*

	Without Donor Restrictions	With Donor Restrictions	2022 Totals	2021 Totals
Support and Revenues:				
Support:				
Federal and state contracts	\$ 730,343	\$ -	\$ 730,343	\$ 808,619
County and other local grants	2,636,423	240,167	2,876,590	2,133,004
United Way allocations	525,091	-	525,091	513,368
Contributions	207,262	682,052	889,314	429,460
Capital Campaign	-	31,078	31,078	-
Total support	<u>4,099,119</u>	<u>953,297</u>	<u>5,052,416</u>	<u>3,884,451</u>
Revenues:				
Rental income	93,949	-	93,949	48,191
Fundraising revenue	59,385	10,000	69,385	99,935
Training and license	12,060	-	12,060	2,300
Other income	6,968	-	6,968	14,524
Total revenues	<u>172,362</u>	<u>10,000</u>	<u>182,362</u>	<u>164,950</u>
Total support and revenues	<u>4,271,481</u>	<u>963,297</u>	<u>5,234,778</u>	<u>4,049,401</u>
Net assets released from restrictions	<u>711,522</u>	<u>(711,522)</u>	<u>-</u>	<u>-</u>
	<u>4,983,003</u>	<u>251,775</u>	<u>5,234,778</u>	<u>4,049,401</u>
Expenses:				
Program services	3,191,835	-	3,191,835	2,826,729
Support services:				
Management and general	154,276	-	154,276	116,982
Growth and Infrastructure	127,309	-	127,309	-
Building	43,676	-	43,676	37,550
Fundraising	146,746	-	146,746	112,184
Total expenses	<u>3,663,842</u>	<u>-</u>	<u>3,663,842</u>	<u>3,093,445</u>
Change in net assets	1,319,161	251,775	1,570,936	955,956
Net assets, beginning of year	<u>1,858,683</u>	<u>213,332</u>	<u>2,072,015</u>	<u>1,116,059</u>
Net assets, end of year	<u>\$ 3,177,844</u>	<u>\$ 465,107</u>	<u>\$ 3,642,951</u>	<u>\$ 2,072,015</u>

*See accompanying notes to consolidated financial statements.*

*For the Year Ended June 30, 2022**(with comparable totals for 2021)*

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Cash received from contributors and grantors	\$ 5,089,683	\$ 4,150,758
Cash received from rentals	93,949	48,191
Cash received from fundraising	69,385	99,935
Other income	6,968	14,524
Cash paid to employees and suppliers for goods and services	(3,488,174)	(3,035,139)
Interest paid	<u>(7,528)</u>	<u>(8,083)</u>
Net cash provided by operating activities	<u>1,764,283</u>	<u>1,270,186</u>
Cash flows from financing activities:		
Proceeds from rental deposit	-	3,000
Repayment of rental deposit	-	(10,000)
Mortgage principal payments	<u>(14,669)</u>	<u>(14,114)</u>
Net cash used in financing activities	<u>(14,669)</u>	<u>(21,114)</u>
Change in cash and cash equivalents	1,749,614	1,249,072
Cash and cash equivalents, beginning of year	<u>1,607,319</u>	<u>358,247</u>
Cash and cash equivalents, end of year	<u><u>\$ 3,356,933</u></u>	<u><u>\$ 1,607,319</u></u>

*See accompanying notes to consolidated financial statements.*



*For the Year Ended June 30, 2022**(with comparable totals for 2021)*

	<u>2022</u>	<u>2021</u>
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	\$ 1,570,936	\$ 955,956
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	63,437	66,396
Change in split-interests	3,222	(4,227)
(Increase) decrease in:		
Grants and allocations receivable	(13,665)	250,591
Accounts receivable	(1,000)	6,324
Prepaid expenses and other assets	49,898	(10,204)
(Decrease) increase in:		
Accounts payable and accrued expenses	46,673	(1,744)
Deferred revenue	-	2,000
Deposit	4,910	-
Refundable advance	39,872	5,094
Net cash provided by operating activities	<u>\$ 1,764,283</u>	<u>\$ 1,270,186</u>

*See accompanying notes to consolidated financial statements.*

**211 PALM BEACH/TREASURE COAST, INC.**

***For the Year Ended June 30, 2022***

	Support Services			
	Program Services		Management and General	
	2022	2021	2022	2021
Salaries and wages	\$2,216,956	\$2,029,173	\$ 108,280	\$ 82,611
Payroll taxes and employee benefits	411,372	392,791	15,572	14,417
Total salaries and related expenses	2,628,328	2,421,964	123,852	97,028
Advertising and promotion	9,087	6,019	382	143
Amortization	-	-	-	-
Bank charges	16	-	1,752	1,631
Computer software and support	85,504	73,676	3,578	3,127
Direct assistance to individuals	9,171	12,792	-	-
Equipment rental and maintenance	62,516	30,712	458	709
Insurance	51,559	44,874	2,232	1,921
Licenses, dues, and subscriptions	13,661	12,043	480	402
Miscellaneous	141	99	218	374
Mortgage interest	5,593	7,449	1,395	117
Occupancy	49,727	49,972	5,323	4,219
Operating supplies	15,571	18,547	455	327
Other	4,236	1,168	9,132	1,909
Payroll	881	808	40	50
Postage	5,550	4,349	174	136
Printing	14,058	-	310	-
Professional services	57,184	40,261	2,066	2,408
Property tax	-	-	-	-
Special events venue and other direct expenses	-	-	-	-
Staff training	3,554	4,778	24	-
Telephone	126,641	54,075	457	1,061
Travel	12,447	3,638	406	181
Total expenses before depreciation	3,155,425	2,787,224	152,734	115,743
Depreciation	36,410	39,505	1,542	1,239
Total functional expenses	<u>\$3,191,835</u>	<u>\$2,826,729</u>	<u>\$ 154,276</u>	<u>\$ 116,982</u>

*See accompanying notes to consolidated financial statements.*

**CONSOLIDATED STATEMENT OF  
FUNCTIONAL EXPENSES**

**(with comparable totals for 2021)**

Support Services							
Growth and Infrastructure		Building		Fundraising		2022 Totals	2021 Totals
2022	2021	2022	2021	2022	2021		
\$ -	\$ -	\$ -	\$ -	\$ 85,035	\$ 66,552	\$2,410,271	\$2,178,336
-	-	-	-	15,411	11,403	442,355	418,611
-	-	-	-	100,446	77,955	2,852,626	2,596,947
5,518	-	-	-	374	181	15,361	6,343
-	-	408	408	-	-	408	408
-	-	50	10	2,021	1,466	3,839	3,107
4,418	-	-	-	8,779	5,840	102,279	82,643
-	-	-	-	-	-	9,171	12,792
-	-	-	-	463	541	63,437	31,962
-	-	-	-	2,014	1,175	55,805	47,970
-	-	170	170	408	763	14,719	13,378
-	-	-	-	100	-	459	473
-	-	-	-	131	109	7,119	7,675
-	-	9,991	10,219	1,780	1,063	66,821	65,473
-	-	-	-	718	577	16,744	19,451
154	-	-	-	280	82	13,802	3,159
-	-	-	-	33	34	954	892
44	-	-	-	176	172	5,944	4,657
-	-	-	-	292	-	14,660	-
112,813	-	6,239	-	1,784	1,030	180,086	43,699
-	-	2,808	2,736	-	-	2,808	2,736
4,362	-	-	-	24,796	18,434	29,158	18,434
-	-	-	-	26	20	3,604	4,798
-	-	-	-	418	963	127,516	56,099
-	-	-	-	232	134	13,085	3,953
127,309	-	19,666	13,543	145,271	110,539	3,600,405	3,027,049
-	-	24,010	24,007	1,475	1,645	63,437	66,396
<u>\$ 127,309</u>	<u>\$ -</u>	<u>\$ 43,676</u>	<u>\$ 37,550</u>	<u>\$ 146,746</u>	<u>\$ 112,184</u>	<u>\$3,663,842</u>	<u>\$3,093,445</u>

*See accompanying notes to consolidated financial statements.*

*For the Year Ended June 30, 2022*

---

**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 a substantial portion of 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.

*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, 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, 2022*

---

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

*Fair Value of Financial Instruments*

The Organization follows FASB ASC 820-10, *Fair Value Measurements and Disclosures*, which provides a common definition of fair value, establishes a framework to measure fair value within accounting principles generally accepted in the United States of America, and expands the disclosures about fair value measurements. The standard does not create any new fair value measurements. Instead, it applies under existing accounting pronouncements that require or permit fair value measurements.

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 Organization did not have financial instruments 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 were not disclosed under FASB ASC Topic 820.

- *Cash and cash equivalents, receivables, accounts payable and accrued liabilities* – The carrying amount reported approximates their fair values due to their short-term nature.
- *Mortgage payable* – The recorded value approximates fair value, as the applicable interest rate approximates current market rates.

*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. During the fiscal year, deposits were maintained in commercial bank checking accounts and money market accounts.

*Grants and Allocations Receivable*

Grants receivable are recognized as the reimbursable expense is incurred. Allocations receivable arise from various United Ways, 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 payments are received.

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.

*For the Year Ended June 30, 2022*

---

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

*Accounts 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 collectable for the year ending June 30, 2022.

*Prepaid Expenses and Other Assets*

Prepaid expenses and other assets are principally comprised of an agreement for a cloud-based phone system, 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 – 30 years. Expenditures for repairs and maintenance are charged to expense as incurred. Major improvements are capitalized.

*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 or grants yet to be earned are deferred and recognized over the periods to which the income and fees relate.

*Refundable Advance*

The Organization occasionally receives advances to cover certain reimbursable program expenses. Pursuant to the agreement, funds received by the Organization which were not spent are subject to be returned to the funder. As of June 30, 2022, the Organization had approximately \$60,000 in advances from Children's Services Council and \$38,000 from South East Florida Health Behavioral Network to cover certain program expenses for the period July 2022 through September 2022.

*For the Year Ended June 30, 2022*

---

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

*Donated Services*

Donated services are recognized as contributions in accordance with FASB ASC Topic 958-605-30, *Revenue Recognition*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated. Generally, the value of volunteer services to the Organization does not satisfy these criteria and is therefore not recognized in the financial statements.

*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 non-direct 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, 2022 was approximately \$15,400.

*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 there is any income tax owed for the period and there is no tax liability 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.

*For the Year Ended June 30, 2022*

---

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

*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, 2021, from which the summarized information was derived. Certain reclassifications may have been made to the 2021 consolidated financial statements to conform to the current year presentation. Such reclassifications would have no effect on net assets as previously reported.

*Recent Accounting Pronouncements*

The Financial Accounting Standards Board (FASB) recently issued several Accounting Standards Updates (ASU's) that affect the accounting and reporting of not-for-profit entities. ASU 2016-02, *Leases (Topic 842)*, does not take effect until the Organization's fiscal year ending June 30, 2023, and provides new guidance for leases such that virtually all leases will be capitalized and create "right of use" assets along with associated liabilities. This standard will impact the interpretation of certain Organization transactions, and management is evaluating the effect that this updated standard will have on the financial statements.

2. **Program Services**

The following is a description of the major programs 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, and 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, and 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 a nationwide number that routes locally placed calls 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 increased emotional and suicidal rates and provides first responder peers.



***For the Year Ended June 30, 2022***

---

**2. Program Services, continued**

**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 services.

**Help Me Grow** – This 211 program provides special information and advice to parents who are concerned about their child's physical and emotional development, behavior or learning by providing developmental screening and care coordination.

**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 telephone reassurance 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 times, the “sunshine call” is the only outside contact the client has all day. These calls can also be life-saving; 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 caregiving 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.

**Growth and Infrastructure/Capital Campaign** – Growth and Infrastructure/Capital Campaign provide funding for the future growth and improved infrastructure of the agency 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 its 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, that is, without donor restrictions or other restrictions limiting their use comprise the following:

Cash and cash equivalents	\$ 3,356,933
Grants and allocations receivable	285,099
Accounts receivable	<u>7,000</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 3,649,032</u>

For the Year Ended June 30, 2022**3. Liquidity and Availability of Resources, continued**

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, 2022 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, the Organization maintains a \$100,000 line of credit which may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need (See Note 6).

**4. Receivables**

In the course of providing its programs and activities, the Organization receives and records grants, contracts, United Way allocations, and accounts receivable, all of which are due within one year. The balance of the Organization's receivables consists of the following as of June 30, 2022:

## Grants and allocations receivable:

Palm Beach County, Board of County Commissioners	\$ 44,364
National Suicide Prevention Lifeline	40,000
Children's Forum	38,244
Children's Services Council – Palm Beach County	37,606
The Crisis Center of Tampa Bay, Inc.	34,848
211 – Brevard	22,080
First Call for Help of Broward, Inc.	11,500
Palm Beach County, FAA	11,101
Indian River County BOCC	10,855
Health Care District of Palm Beach County	6,667
Victim Services and Support	5,284
Memorial Healthcare System	5,000
Palm Beach County Behavioral Health Coalition	5,000
TD Charitable Foundation	5,000
Children's Services Council – St. Lucie County	4,800
Martin County	<u>2,750</u>
Total grants and allocations receivable	285,099
Account (and capital campaign) receivable	<u>7,000</u>
Total receivables	<u>\$ 292,099</u>

For the Year Ended June 30, 2022**5. Property and Equipment**

Property and equipment consist of the following as of June 30, 2022:

Office furniture and equipment	\$ 126,621
Computers and software	183,500
Buildings and improvements	647,499
Leasehold improvements	244,122
Land	<u>160,000</u>
	1,361,742
Less accumulated depreciation	<u>1,005,473</u>
	<u>\$ 356,269</u>

**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 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, 2022 was \$168,831. 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 interest expense in the Consolidated Statement of Activities.

Future maturities of the mortgage payable for years ending June 30 are approximately:

2023	\$ 15,732
2024	16,373
2025	17,735
2026	17,040
2027	18,457
Thereafter	<u>83,494</u>
	168,831
Less debt issuance costs, net	<u>3,695</u>
	165,136
Less current portion of mortgage payable	<u>15,732</u>
Long-term mortgage payable	<u>\$ 149,404</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% (5.25% as of June 30, 2022). The line of credit was unused as of June 30, 2022.

For the Year Ended June 30, 2022**7. Net Assets With Donor Restrictions**

Net assets with donor restrictions are available for the following purposes as of June 30, 2022:

Veterans support	\$ 117,762
Capital Campaign – building funds	80,078
Special Needs support	62,311
Elder Crisis Outreach Funds	53,876
988 Expansion FY22-23	50,000
Elder Crisis Outreach Grants	47,188
Capital Campaign – operation	15,284
Growth and Infrastructure	12,726
Lifeline Luncheon FY 22-23	10,000
Employee Recognition and Awards	8,989
Special Needs funds	1,900
Other	<u>4,993</u>
Total net assets with donor restrictions	<u>\$ 465,107</u>

**8. Leased Facilities**

During the year ended June 30, 2022, the Organization leased a portion of approximately 60% (i.e. 9,000 square feet) of its facility to a company that is not related to the Organization. The most recent lease was for twelve months which expired on September 30, 2022. Subsequent to that date, the company went on a month-to-month basis with the Organization, and officially vacated the first week of December 2022. Base rent was \$7,427 per month for the lease term. The Organization holds a refundable security deposit of \$7,910.

The future minimum rental income for the year ending June 30, 2022, based on basic rent, is \$29,710. Rental income, including reimbursement of operating expenses, for the year ending June 30, 2022 was \$93,949.

**9. Commitments and Contingencies***Leased Office Equipment*

The Organization leases office equipment (including service) under a non-cancellable operating lease which expires in September 2023.

Future minimum rental payments payable for years ending June 30 are approximately:

2023	\$ 13,788
2024	<u>3,447</u>
Total future minimum rental payments	<u>\$ 17,235</u>

Lease expense for the year ended June 30, 2022 was \$20,911 and is included in equipment rental and maintenance on the Consolidated Statement of Functional Expenses.

*For the Year Ended June 30, 2022*

---

**9. Commitments and Contingencies, continued**

*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.

**10. 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, 2022, 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, 2022 was \$12,499.

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, 2022, the Organization made contributions to the plan totaling \$2,505. Funds of the plan are invested in mutual funds as directed by the employee. These funds have a fair value of approximately \$8,782 as of June 30, 2022.

**11. 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, 2022, there were \$3,069,016 in uninsured cash balances.

*For the Year Ended June 30, 2022*

---

**11. Concentration and Credit Risk, continued**

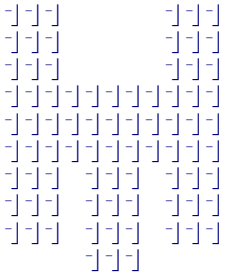
The Organization receives the majority of its funding from public sources and is, therefore, dependent upon the availability of federal, state, and county grants and awards for its continued existence. The Organization currently receives approximately 5% of its cash funding from Palm Beach County, 28 % from Lifeline (988), 11% from the Southeast Florida Behavioral Health Network, 11% collectively from six local Children's Services Councils, and approximately 10% collectively from seven local United Way chapters. 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.

**12. Subsequent Event**

*Date of Management Evaluation*

Management has assessed subsequent events through February 14, 2023, the date the consolidated financial statements were available to be issued and has determined the following additional disclosure was required to be presented in these consolidated financial statements.

At the January 19, 2023 meeting of the Board of Directors, a motion was made to designate \$1 million towards a building fund and \$2 million for reserves from the Organization's current cash balance.



# Holyfield & Thomas, LLC

Certified Public Accountants & Advisors

125 Butler Street • West Palm Beach, FL 33407

(561) 689-6000 • Fax (561) 689-6001 • [www.holyfieldandthomas.com](http://www.holyfieldandthomas.com)

## 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, 2022 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 February 14, 2023.

### Report 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 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 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  
February 14, 2023



**SUPPLEMENTARY INFORMATION**

*For the Year Ended June 30, 2022*

	Resource Center		First Responder	988 Lifeline	Elder Crisis Outreach	Special Needs	Sunshine Services	Help Me Grow	My Florida Veteran	Totals
	Palm Beach County	Treasure Coast								
Salaries and wages	\$1,057,536	\$ 392,518	\$ 851	\$ 7,507	\$ 141,895	\$ 73,682	\$ 109,825	\$ 342,768	\$ 90,374	\$2,216,956
Payroll taxes and employee benefits	197,479	63,924	65	551	32,558	17,136	16,146	70,471	13,042	411,372
Total salaries and related expenses	1,255,015	456,442	916	8,058	174,453	90,818	125,971	413,239	103,416	2,628,328
Advertising and promotion	3,716	2,811	-	-	455	220	311	1,266	308	9,087
Bank charges	10	-	-	-	-	-	6	-	-	16
Computer software and support	42,985	16,843	-	-	5,143	2,533	2,537	11,946	3,517	85,504
Direct assistance to individuals	-	-	-	-	1,133	-	-	-	8,038	9,171
Equipment rental and maintenance	28,110	17,260	-	-	1,691	2,294	7,213	2,091	3,857	62,516
Insurance	24,861	9,279	-	-	3,391	1,581	2,240	7,960	2,247	51,559
Licenses, dues, and subscriptions	4,078	2,182	-	-	560	217	301	6,015	308	13,661
Miscellaneous	83	-	-	-	-	-	-	58	-	141
Mortgage interest	3,055	1,149	-	-	220	101	151	761	156	5,593
Occupancy	22,822	9,075	31	191	3,000	1,405	2,063	9,130	2,010	49,727
Operating supplies	4,679	1,730	-	-	632	317	589	7,198	426	15,571
Other	3,205	34	-	-	1	26	217	752	1	4,236
Payroll	423	156	-	-	56	28	39	140	39	881
Postage	1,945	733	-	-	267	164	584	1,675	182	5,550
Printing	10,314	1,278	-	-	463	225	317	1,144	317	14,058
Professional services	24,144	20,502	-	-	2,299	1,240	1,755	5,664	1,580	57,184
Staff training	1,939	1,081	-	-	35	17	24	434	24	3,554
Telephone	82,716	35,844	-	-	737	295	4,196	2,394	459	126,641
Travel	5,410	988	-	-	628	112	191	4,799	319	12,447
Total expenses before depreciation	1,519,510	577,387	947	8,249	195,164	101,593	148,705	476,666	127,204	3,155,425
Depreciation	17,527	6,368	-	-	2,353	1,136	1,629	5,795	1,602	36,410
Total functional expenses	\$1,537,037	\$ 583,755	\$ 947	\$ 8,249	\$ 197,517	\$ 102,729	\$ 150,334	\$ 482,461	\$ 128,806	\$3,191,835

*See independent auditor's report.*

*For the Year Ended June 30, 2021*

	Resource Center		Elder Crisis Outreach	Special Needs	Sunshine Services	Help Me Grow	My Florida Veteran	Totals
	Palm Beach County	Treasure Coast						
Salaries and wages	\$ 1,007,336	\$ 320,478	\$ 134,537	\$ 61,593	\$ 87,347	\$ 330,796	\$ 87,086	\$ 2,029,173
Payroll taxes and employee benefits	195,293	66,212	28,839	14,666	10,364	68,613	8,804	392,791
Total salaries and related expenses	1,202,629	386,690	163,376	76,259	97,711	399,409	95,890	2,421,964
Advertising and promotion	2,202	1,888	347	137	1,197	49	199	6,019
Computer software and support	37,847	16,326	4,253	2,141	2,275	7,721	3,113	73,676
Direct assistance to individuals	-	-	464	12,328	-	-	-	12,792
Equipment rental and maintenance	18,714	7,468	1,446	459	591	1,200	834	30,712
Insurance	22,379	10,123	3,880	932	1,563	4,257	1,740	44,874
Licenses, dues, and subscriptions	4,720	3,005	742	190	296	2,880	210	12,043
Miscellaneous	99	-	-	-	-	-	-	99
Mortgage interest	2,303	1,065	322	87	216	3,206	250	7,449
Occupancy	24,202	14,149	3,237	923	1,937	3,988	1,536	49,972
Operating supplies	4,158	1,045	394	158	302	12,273	217	18,547
Other	514	(234)	10	3	126	745	4	1,168
Payroll	429	184	64	39	45	-	47	808
Postage	1,529	447	277	129	238	1,540	189	4,349
Professional services	21,885	8,415	3,365	1,235	1,887	1,541	1,933	40,261
Staff training	2,678	1,612	42	8	31	402	5	4,778
Telephone	29,047	11,166	2,139	363	3,969	6,486	905	54,075
Travel	306	850	428	362	43	1,649	-	3,638
Total expenses before depreciation	1,375,641	464,199	184,786	95,753	112,427	447,346	107,072	2,787,224
Depreciation	19,096	6,755	2,755	1,250	1,840	6,508	1,301	39,505
Total functional expenses	\$ 1,394,737	\$ 470,954	\$ 187,541	\$ 97,003	\$ 114,267	\$ 453,854	\$ 108,373	\$ 2,826,729

*See independent auditor's report.*

*For the Year Ended June 30, 2022*

---

Total Expenditures	\$ 3,319,148
Less Other State and Federal Funds	(161,103)
Less Non-Match SAMH Funds	-
Less Unallowable Costs per 65E-14, F.A.C.	-
Total Allowable Expenditures	3,158,045
	x 75%
Maximum Available Earnings	2,368,534
Amount of State Funds Requiring Match	548,407
Amount (Due) to Department	<u>\$ 1,820,127</u>

*See independent auditor's report.*

For the Year Ended June 30, 2022

	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	\$ 119,764	\$ 78,694	\$ 86,667	\$ 72,583	\$ 357,708	\$ -	\$ -	\$ 357,708
Local government	-	-	-	-	-	545,527	495,633	1,041,160
Federal grants and contracts	35,071	61,000	35,071	4,000	135,142	-	161,103	296,245
	154,835	139,694	121,738	76,583	492,850	545,527	656,736	1,695,113
Carry forward funding	-	55,556	-	-	55,556	-	-	55,556
Total government funding	154,835	195,250	121,738	76,583	548,406	545,527	656,736	1,750,669
All other revenues:								
Contributions and donations	-	-	-	-	-	196,396	799,551	995,947
Other grants and contracts	-	-	-	-	-	1,091,610	1,396,552	2,488,162
Total all other revenues	-	-	-	-	-	1,288,006	2,196,103	3,484,109
Total funding sources and revenues	\$ 154,835	\$ 195,250	\$ 121,738	\$ 76,583	\$ 548,406	\$ 1,833,533	\$ 2,852,839	\$ 5,234,778

See independent auditor's report.

*For the Year Ended June 30, 2022*

	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	\$ 200,189	\$ 200,766	\$ 400,955	\$ 1,029,747	\$ 1,430,702	\$ 786,254	\$ 85,035	\$ 108,280	\$ 2,410,271
Fringe benefits	33,055	32,988	66,043	193,879	259,922	151,450	15,411	15,572	442,355
Total personnel expenses	233,244	233,754	466,998	1,223,626	1,690,624	937,704	100,446	123,852	2,852,626
Operating expenses:									
Building occupancy	3,751	3,479	7,230	24,668	31,898	17,830	14,579	5,323	69,630
Professional services	7,222	6,340	13,562	31,662	45,224	125,653	8,056	2,106	181,039
Travel	782	816	1,598	4,799	6,397	6,048	232	406	13,083
Equipment	13,917	12,799	26,716	78,481	105,197	47,237	9,392	3,887	165,713
Subcontracted services	640	403	1,043	9,851	10,894	-	-	-	10,894
Insurance	4,231	4,096	8,327	25,814	34,141	17,419	2,014	2,232	55,806
Interest paid	503	474	977	3,227	4,204	1,390	539	1,458	7,591
Operating supplies and expense	11,847	9,237	21,084	126,397	147,481	53,384	29,833	13,313	244,011
Other bad debt	437	435	872	23,022	23,894	12,529	25,484	1,542	63,449
Total operating expenses	43,330	38,079	81,409	327,921	409,330	281,490	90,129	30,267	811,216
Total expenses	276,574	271,833	548,407	1,551,547	2,099,954	1,219,194	190,575	154,119	3,663,842
Less distributed indirect cost									
Other support cost	-	-	-	-	-	-	(190,575)	-	(190,575)
Administration	-	-	-	-	-	-	-	(154,119)	(154,119)
Total distributed indirect cost	-	-	-	-	-	-	(190,575)	(154,119)	(344,694)
Total actual expenses	\$ 276,574	\$ 271,833	\$ 548,407	\$ 1,551,547	\$ 2,099,954	\$ 1,219,194	\$ -	\$ -	\$ 3,319,148

*See independent auditor's report.*