

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
FORT MYERS, FLORIDA  
FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2019



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Collier County Child Advocacy Council, Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of Collier County Child Advocacy Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Collier County Child Advocacy Council, Inc. as of June 30, 2019, 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.

To the Board of Directors of  
Collier County Child Advocacy Council, Inc.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2020, on our consideration of Collier County Child Advocacy Council, 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 the effectiveness of Collier County Child Advocacy Council, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Collier County Child Advocacy Council, Inc.'s internal control over financial reporting and compliance.



MYERS, BRETT HOLTZ & COMPANY, PA  
Fort Myers, Florida  
January 20, 2020

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2019

Assets	
Cash and cash equivalents	\$ 353,984
Cash - restricted	222,806
Investments	37,618
Accounts receivable	6,210
Grants receivable	191,413
Unconditional promises to give, net	37,190
Prepaid expenses	15,217
Property and equipment, net	<u>814,268</u>
Total assets	<u><u>\$ 1,678,706</u></u>
Liabilities and Net Assets	
Liabilities	
Accounts payable and accrued expenses	\$ 65,806
Note payable	<u>171,842</u>
Total liabilities	<u>237,648</u>
Net Assets	
Without donor restrictions	1,182,425
With donor restrictions	<u>258,633</u>
Total net assets	<u>1,441,058</u>
Total liabilities and net assets	<u><u>\$ 1,678,706</u></u>

Read Independent Auditor's Report.  
The accompanying notes are an integral  
part of the financial statements.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Gross proceeds from special fund raising events	\$ 137,439	\$ -	\$ 137,439
Less costs of direct benefits to donors	91,628	-	91,628
Net proceeds from special fund raising events	<u>45,811</u>	<u>-</u>	<u>45,811</u>
Grants and contracts	1,561,035	-	1,561,035
Contributions	212,477	27,877	240,354
In-kind materials and services	45,333	-	45,333
Interest and dividends	5,299	-	5,299
Other	<u>125,167</u>	<u>-</u>	<u>125,167</u>
Total revenue and support	<u>1,995,122</u>	<u>27,877</u>	<u>2,022,999</u>
Expenses			
Program services			
Counseling services	390,248	-	390,248
School, court and family advocacy	254,525	-	254,525
Child protection team	471,251	-	471,251
Family safety	294,217	-	294,217
Parenting education	198,776	-	198,776
Total program services	<u>1,609,017</u>	<u>-</u>	<u>1,609,017</u>
Supporting services			
General and administrative	272,417	-	272,417
Fund raising	103,483	-	103,483
Total supporting services	<u>375,900</u>	<u>-</u>	<u>375,900</u>
Total expenses	<u>1,984,917</u>	<u>-</u>	<u>1,984,917</u>
Increase in net assets from operations	10,205	27,877	38,082
Nonoperating Activities			
Investment return, net	<u>419</u>	<u>-</u>	<u>419</u>
Change in net assets	10,624	27,877	38,501
Net assets, beginning of year	<u>1,171,801</u>	<u>230,756</u>	<u>1,402,557</u>
Net assets, end of year	<u>\$ 1,182,425</u>	<u>\$ 258,633</u>	<u>\$ 1,441,058</u>

Read Independent Auditor's Report.  
The accompanying notes are an integral  
part of the financial statements.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services			
	Counseling Services	School, Court and Family Advocacy	Child Protection Team	Family Safety
Salaries	\$ 269,890	\$ 149,968	\$ 296,371	\$ 178,686
Payroll taxes	20,264	10,858	20,980	12,337
Employee benefits	40,034	26,354	42,339	54,025
Contracted services	10,848	-	-	-
<b>Total salaries and related expenses</b>	<b>341,036</b>	<b>187,180</b>	<b>359,690</b>	<b>245,048</b>
Advertising	424	400	608	354
Bank and credit card fees	-	-	-	-
Communications	539	277	836	250
Cost of direct benefits to donors	-	-	-	-
Depreciation	6,404	6,048	9,250	5,336
Dues and subscriptions	1,332	1,267	1,530	1,481
Education and seminars	4,163	2,667	6,232	243
Fund raising	-	-	-	-
In-kind materials and services	8,939	25,106	2,309	1,332
Insurance	5,004	5,558	7,870	4,107
Interest	-	-	-	-
Loss on disposal of property and equipment	-	-	-	-
Miscellaneous	39	1,194	55	37
Postage	74	70	110	85
Professional services	6,388	3,431	59,348	25,595
Rent	435	411	4,077	363
Repairs and maintenance	6,939	6,582	10,684	5,816
Supplies	3,389	5,387	3,970	1,645
Telephone	1,725	1,629	2,489	1,438
Travel and transportation	2,277	6,233	546	127
Utilities	1,141	1,085	1,647	960
<b>Total expenses by function</b>	<b>390,248</b>	<b>254,525</b>	<b>471,251</b>	<b>294,217</b>
Less expenses included with revenue on the statement of activities				
Cost of direct benefits to donors	-	-	-	-
<b>Total expenses included in the expense section on the statement of activities</b>	<b>\$ 390,248</b>	<b>\$ 254,525</b>	<b>\$ 471,251</b>	<b>\$ 294,217</b>

	Program Services			Total
	Parenting Education	General and Administrative	Fund Raising	
Salaries	\$ 127,541	\$ 169,456	\$ 62,918	\$ 1,254,830
Payroll taxes	9,267	12,460	4,695	90,861
Employee benefits	14,966	36,636	7,936	222,290
Contracted services	270	-	-	11,118
<b>Total salaries and related expenses</b>	<b>152,044</b>	<b>218,552</b>	<b>75,549</b>	<b>1,579,099</b>
Advertising	254	-	12,297	14,337
Bank and credit card fees	-	769	-	769
Communications	568	830	97	3,397
Cost of direct benefits to donors	-	-	91,628	91,628
Depreciation	3,913	2,490	2,135	35,576
Dues and subscriptions	1,234	6,116	1,880	14,840
Education and seminars	1,107	7,990	800	23,202
Fund raising	-	-	2,000	2,000
In-kind materials and services	2,576	622	533	41,417
Insurance	3,006	2,968	2,078	30,591
Interest	-	9,533	-	9,533
Loss on disposal of property and equipment	-	241	-	241
Miscellaneous	-	3,347	140	4,812
Postage	48	150	27	564
Professional services	17,906	9,599	2,874	125,141
Rent	266	170	145	5,867
Repairs and maintenance	4,222	2,848	1,659	38,750
Supplies	740	3,414	442	18,987
Telephone	1,051	835	551	9,718
Travel and transportation	9,157	1,459	51	19,850
Utilities	684	484	225	6,226
<b>Total expenses by function</b>	<b>198,776</b>	<b>272,417</b>	<b>195,111</b>	<b>2,076,545</b>
Less expenses included with revenue on the statement of activities				
Cost of direct benefits to donors	-	-	(91,628)	(91,628)
<b>Total expenses included in the expense section on the statement of activities</b>	<b>\$ 198,776</b>	<b>\$ 272,417</b>	<b>\$ 103,483</b>	<b>\$ 1,984,917</b>

Read Independent Auditor's Report.  
The accompanying notes are an integral part of the financial statements.



COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2019

Cash Flows From Operating Activities	
Change in net assets	\$ 38,501
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Non-cash contribution of investments	(10,095)
Non-cash contribution of property and equipment	(3,916)
Interest and dividends reinvested	(525)
Loss on disposal of property and equipment	241
Net gain on investments	(412)
Depreciation	35,576
Changes in:	
Accounts receivable	8,572
Grants receivable	49,422
Unconditional promises to give	7,974
Prepaid expenses	16,972
Accounts payable and accrued expenses	17,458
	159,768
Cash Flows From Investing Activities	
Purchase of property and equipment	(14,490)
Cash Flows From Financing Activities	
Principal payments on note payable	(2,731)
	142,547
Cash and cash equivalents, beginning of year	434,243
Cash and cash equivalents, end of year	\$ 576,790

Supplemental Information	
Interest paid	\$ 9,533
Non-cash contribution of investments	\$ 10,095
Non-cash contribution of property and equipment	\$ 3,916

Read Independent Auditor's Report.  
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part of the financial statements.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 1 - THE ORGANIZATION**

Collier County Child Advocacy Council, Inc. (the “Organization”) was incorporated on April 9, 1986, under the laws of Florida as a nonprofit organization to minimize trauma and enhance families’ capabilities to provide a safe environment for their children by utilizing a cooperative, multi-disciplinary team approach to the identification, intervention, and treatment of child abuse and neglect in Collier County.

Program services include counseling, school, court and family advocacy, child protection team, family safety and parenting education.

**NOTE 2 - DATE OF MANAGEMENT’S REVIEW**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 20, 2020, the date that the financial statements were available to be issued.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to the following net assets classifications:

Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and Board of Directors (the “Board”).

Net assets with donor restrictions are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions by the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Restricted Cash

Restricted cash consists of temporarily restricted net assets restricted for the purpose of establishing a building fund, as further described in Note 11.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statement of financial position. Net investments return/(loss) is reported in the statement of activities and consists of realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Gains and losses on equity securities sold are based on the specific identification method. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

Accounts and Grants Receivables

The Organization's management has reviewed receivables outstanding as of June 30, 2019, and considers them to be fully collectible. Based on this and the Organization's prior history of insignificant bad debt on receivables, no allowance for uncollectible accounts is considered necessary. Bad debt expense is recognized during the period in which a specific account is determined to be uncollectible. There was no bad debt expense for the year ended June 30, 2019.

Unconditional Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give that are expected to be collected in one year are recorded at net realizable value. Unconditional promises to give expected to be collected beyond one year are reported at the present value of the estimated cash flows using a risk-free interest rate.

Additionally, the Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on historical experience and management's analysis of specific promises made. Bad debt expense is recognized during the period in which a specific promise to give is determined to be uncollectible. There was no bad debt expense for the year ended June 30, 2019.

Property and Equipment

Property and equipment additions over \$500 are recorded at cost. Donated assets are recorded at their fair market value at the time of donation. Depreciation is recognized using the straight-line method over the estimated useful lives of the assets, as further described in Note 9. The cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred.

The Organization reviews the carrying value of property and equipment for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. When considered impaired, an impairment loss is recognized to the extent the carrying value exceeds the fair value of the asset.

Compensated Absences

The Organization does not accrue compensated absences as a liability since neither unused vacation nor unused sick leave carries forward to the next year.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Income Taxes

The Organization is exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization is a not-for-profit Florida corporation, and therefore, is not subject to state income taxes. Accordingly, no provision for income taxes has been made. The Organization is not considered a private foundation within the meaning of Section 509(a) of the Code. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. The Organization's Form 990 remains subject to examination by the Internal Revenue Service for three years from the date of filing.

Management has analyzed its various federal filing positions and believes that the Organization's income tax filing positions and deductions are well documented, supported and contain no uncertain tax positions. Additionally, management believes that no accruals for tax liabilities, interest or penalties are required. Therefore, no reserves for uncertain income tax positions have been recorded. Further, no interest or penalties have been included since no reserves were recorded. When applicable, such interest and penalties will be reported as income tax expense.

Fair Value of Financial Instruments

Substantially all of the Organization's assets and liabilities, excluding prepaid expenses and property and equipment, are considered financial instruments. These assets and liabilities are reflected at fair value, or at carrying amounts that approximate fair value because of the short maturity of the instrument.

The fair value of pooled funds with significant unobservable inputs is determined by a community foundation and is based on the allocation of the Organization's investment in their general endowment fund.

Revenue Recognition

Revenue is recognized when earned. Support from federal, state and local grants is recorded based upon the terms of the grantor allotment, which generally provide that revenues are earned when the allowable costs of the specific grant provisions have been incurred. Support from local crimes compensation funding is recorded when received, as amounts cannot be determined when services are provided.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted support is reported as an increase in donor restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Donated Services and In-kind Contributions

In-kind contributions are recorded as contributions in the accompanying financial statements at their estimated fair market value on the date of receipt.

Contributions of services are recognized only if services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by the individuals possessing those skills, and would typically be purchased if not provided by donation. The Organization received contributions of services totaling \$38,117 for the year ended June 30, 2019, included in in-kind materials and services.

Advertising Costs

Advertising costs are expensed as incurred and approximated \$14,337 during the year ended June 30, 2019.

Cash Flows

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity date of three months or less to be cash equivalents.

The Organization made no cash payments for income taxes during the year ended June 30, 2019. The Organization made cash payments of \$9,533 for interest during the year ended June 30, 2019.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Salaries and related expenses are allocated based on job descriptions and an informal time study prepared by management. Expenses, other than salaries and related expenses, which are not directly identifiable by program or supporting services, include: bank and credit card fees, communications, depreciation, dues and subscriptions, education and seminars, insurance, postage, professional services, rent, supplies, travel, telephone, repairs and maintenance, utilities and miscellaneous, are allocated based on the best estimates of management using a time study for employee related costs and square footage.

Estimates

The preparation of 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 amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

New Accounting Pronouncement

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has implemented ASU 2016-14 and have adjusted the presentation of these financial statements accordingly. The ASU has been applied retrospectively to all periods presented.

**NOTE 4 - CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances at various financial institutions. Accounts at each commercial banking institution are insured by the Federal Deposit Insurance Corporation (the “FDIC”) up to \$250,000. As of June 30, 2019, the uninsured balance was \$86,998, based on the bank statement balances less the FDIC insurance. Cash and cash equivalents at an investment services company totaling \$2,972, are not insured by the FDIC.

**NOTE 5 - AVAILABILITY AND LIQUIDITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Financial assets at year end:	
Cash and cash equivalents	\$ 576,790
Investments	37,618
Accounts receivable	6,210
Grants receivable	191,413
Unconditional promises to give to be collected in less than one year	23,884
Total financial assets	835,915
Less amounts not available to be used within one year:	
Accounts payable and accrued expenses	65,806
Note payable due within one year	12,264
Net assets with donor restrictions	258,633
Less net assets with purpose restrictions to be met in less than a year	(12,877)
	323,826
Financial assets available to meet general expenditures over the next year	\$ 512,089

The Organization’s goal is to maintain financial assets to meet three months of operating expenses, which is approximately \$496,000. This period of time was determined by management’s review of the typical life cycle of converting its financial assets to cash and typical payments of amounts owed.

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 6 - INVESTMENTS**

Investments consisted of the following as of June 30, 2019:

Marketable equity securities	\$ 10,345
Pooled funds	<u>27,273</u>
	<u><u>\$ 37,618</u></u>

Investment fees totaling \$294 for the year ended June 30, 2019, were netted against investment return.

The following are the major categories of assets measured at fair value on a recurring basis during the year ended June 30, 2019, using quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3).

Description	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total as of 6/30/19
Equity securities	\$ 10,345	\$ -	\$ -	\$ 10,345
Pooled funds	-	-	27,273	27,273
	<u>\$ 10,345</u>	<u>\$ -</u>	<u>\$ 27,273</u>	<u>\$ 37,618</u>

Fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2019:

Beginning balance	\$ 26,586
Total gains or losses (realized/unrealized) included in earnings	162
Interest and dividends	819
Fees	(294)
Ending balance	<u><u>\$ 27,273</u></u>

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 7 - GRANTS RECEIVABLE**

Grants receivable consisted of the following as of June 30, 2019:

Department of Health - CPT	\$ 50,000
Department of Health - SATP	2,924
Collier County - HUD	16,512
Collier County - CPT	13,750
VOCA	84,648
Children's Network of SWFL	14,000
FNCAC	9,579
	<u>\$ 191,413</u>

**NOTE 8 - UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give consisted of the following as of June 30, 2019:

Unconditional promises to give	\$ 68,884
Less discounts to net present value	(1,694)
Less allowance for uncollectible promises to give	<u>(30,000)</u>
Net unconditional promises to give	<u>\$ 37,190</u>

Unconditional promises to give to be collected in less than one year are recorded at face value. Unconditional promises to give to be collected after one year are recorded at the present value using a discount rate of 4.00%.

Unconditional promises to give are scheduled to be received as follows as of June 30, 2019:

Less than one year	\$ 53,884
One to five years	15,000
	<u>\$ 68,884</u>



COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2019

**NOTE 9 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of June 30, 2019:

	<u>Estimated Useful Lives</u>	
Property not in service	N/A	\$ 202,949
Building	35-39 years	930,957
Building improvements	10-15 years	29,804
Furniture and equipment	3-10 years	186,297
		<u>1,350,007</u>
Less: accumulated depreciation		<u>(535,739)</u>
		<u><u>\$ 814,268</u></u>

Depreciation expense was \$35,576 for the year ended June 30, 2019.

**NOTE 10 - NOTE PAYABLE**

The Organization has a note payable with an original principal balance of \$180,000 for the purchase of a building. The note payable is collateralized by real property and matures on April 22, 2046. The note payable bears an interest rate of 5.5% through April 21, 2026. Commencing on April 22, 2026 through April 22, 2046, the interest rate will be 2.5% plus the prime rate of interest reported by the Wall Street Journal. The note payable calls for 360 monthly payments of \$1,022 for principal and interest. As of June 30, 2019, the outstanding balance was \$171,842.

Future maturities of the note payable are as follows:

<u>Years ending June 30,</u>	
2020	\$ 12,264
2021	12,264
2022	12,264
2023	12,264
2024	12,264
Thereafter	<u>267,770</u>
	329,090
Less: interest	<u>(157,248)</u>
	<u><u>\$ 171,842</u></u>

**NOTE 11 - NET ASSETS**

Net assets without donor restrictions consisted of the following as of June 30, 2019:

Undesignated	\$ 465,960
Equity in property and equipment	642,426
Board designated - contingency	74,039
	<u><u>\$ 1,182,425</u></u>

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019

**NOTE 11 - NET ASSETS (Continued)**

The Organization maintains Board designated net assets for future contingencies.

Net assets with donor restrictions consisted of the following as of June 30, 2019:

Specific purpose:	
Capital campaign	\$ 222,806
Server purchase	<u>12,877</u>
Total specific purpose	235,683
Perpetual:	
Endowment	<u>22,950</u>
	<u>\$ 258,633</u>

**NOTE 12 - AGENCY FUND**

The Organization is the beneficiary of a designated fund maintained by the Community Foundation. The Organization also has a \$5,000 matching investment from the Community Foundation. The matching investment and any contributions solicited by the Community Foundation on behalf of the Organization will remain the assets of the Community Foundation. Earnings derived from the designated fund will be available to the Organization in accordance with the spending policy of the Community Foundation. The balance as of June 30, 2019, was \$5,942.

**NOTE 13 - COMMITMENT**

The Organization has an in-kind office lease for operating an office in Immokalee, FL, ending December 31, 2019. The fair market value of the annual rent is recognized as rent expense with an offset to in-kind services. The fair market value recorded for the year ended June 30, 2019, was \$3,200.

**NOTE 14 - DEFINED CONTRIBUTION PLAN**

The Organization contributes up to 4% of total compensation to a 401(k) retirement plan for eligible employees. Total retirement plan expense for the year ended June 30, 2019, was \$35,723, included in employee benefits.

**NOTE 15 - ECONOMIC DEPENDENCY**

During the year ended June 30, 2019, the Organization received approximately 17% of its revenue from a grant from the State of Florida Department of Health, 25% of its revenue from the State of Florida Office of the Attorney General and 21% of its revenue from an individual community grant.

**NOTE 16 - SUBSEQUENT EVENT**

Subsequent to the year ended June 30, 2019, the Organization entered into an uncollateralized revolving line of credit with a bank for a maximum principal amount of \$100,000. The line of credit matures on October 18, 2020, and has a variable interest rate, based on the lender's prime rate. All accrued but unpaid interest is due monthly.

**SUPPLEMENTARY INFORMATION**

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number(s)</u>	<u>Federal Expenditures</u>
<b>Department of Health and Human Services</b>			
Passed through the State of Florida			
Department of Health			
Social Services Block Grant	93.667	CPX8C	\$ 107,571
Passed through Children’s Network of Southwest Florida, LLC			
Promoting Safe and Stable Families	93.556	N/A	98,920
<b>Department of Justice</b>			
Passed through the State of Florida			
Office of the Attorney General			
Crime Victim Assistance (1)	16.575	VOCA-2017-00585	112,284
Crime Victim Assistance (1)	16.575	VOCA-2018-00506	383,616
			<u>495,900</u>
<b>Department of Housing and Urban Development</b>			
Passed through Collier County HUD			
Community Development Block Grants			
Entitlement Grant	14.218	B-17-UC-12-0016	10,792
Community Development Block Grants			
Entitlement Grant	14.218	B-18-UC-12-0016	55,758
			<u>66,550</u>
Total expenditures of federal awards			<u>\$ 768,941</u>

(1) Denotes a major program

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Collier County Child Advocacy Council, Inc. and is presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The Organization has not elected to use the 10% de minimis indirect cost rate.

**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  
Collier County Child Advocacy Council, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Collier County Child Advocacy Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows, for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 20, 2020.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's 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 Collier County Child Advocacy Council, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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*.

To the Board of Directors of  
Collier County Child Advocacy Council, Inc.

**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.



MYERS, BRETT HOLTZ & COMPANY, PA  
Fort Myers, Florida  
January 20, 2020

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

To the Board of Directors of  
Collier County Child Advocacy Council, Inc.

**Report on Compliance for Each Major Federal Program**

We have audited Collier County Child Advocacy Council, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Collier County Child Advocacy Council, Inc.'s major federal programs for the year ended June 30, 2019. Collier County Child Advocacy Council, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Collier County Child Advocacy Council, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Collier County Child Advocacy Council, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Collier County Child Advocacy Council, Inc.'s compliance.

***Opinion on Each Major Federal Program***

In our opinion, Collier County Child Advocacy Council, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

To the Board of Directors of  
Collier County Child Advocacy Council, Inc.

## Report on Internal Control Over Compliance

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

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

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

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



MYERS, BRETT HOLTZ & COMPANY, PA  
Fort Myers, Florida  
January 20, 2020



COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019

**SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

Type of auditor's report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_ yes  no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_ yes  none reported

Noncompliance material to financial statements noted? \_\_ yes  no

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified? \_\_ yes  no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_ yes  none reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR Section 200.516(a)? \_\_ yes  no

Major programs:

CFDA Number 16.575      Crime Victim Assistance

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_ yes  no

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2019

The Organization did not meet the dollar threshold in the prior year for a single audit, therefore, no findings in the prior year.