

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2021**

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Collier County Child Advocacy Council, Inc.  
Naples, Florida

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, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***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.

### ***Auditors' 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 the 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 auditors' 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, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Change in Accounting Principle*

As discussed in Note 1 to the financial statements, management adopted Accounting Standards Update 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. Our opinion is not modified with respect to that matter.

As discussed in Note 1 to the financial statements, management adopted a provision of Financial Accounting Standards Board Accounting Standards Updates 2014-09, *Revenue from Contracts with Customers*. The new accounting standard clarifies how revenue is to be recognized and requires expanded disclosures related to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Our opinion is not modified with respect to that matter.

**Supplementary and Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 basic financial statements. Such information is the responsibility of management and was derived from and relate 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 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 February 25, 2022, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Collier County Child Advocacy Council, Inc.'s internal controls 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.



**CliftonLarsonAllen LLP**

Naples, Florida  
February 25, 2022

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**

**ASSETS**

Cash and Cash Equivalents	\$	533,651
Cash - Restricted		178,540
Beneficial interest in Investments Held by Others		34,430
Accounts Receivable		203
Grants Receivable		289,537
Unconditional Promises to Give, Net		1,306
Prepaid Expenses		21,221
Property and Equipment, Net		<u>805,560</u>
 Total Assets		 <u><u>\$ 1,864,448</u></u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable and Accrued Expenses	\$	28,208
Deferred Revenue		58,676
Notes Payable		<u>165,908</u>
 Total Liabilities		 252,792

**NET ASSETS**

Without Donor Restrictions		1,305,626
With Donor Restrictions		<u>306,030</u>
Total Net Assets		<u>1,611,656</u>
 Total Liabilities and Net Assets		 <u><u>\$ 1,864,448</u></u>

*See accompanying Notes to Financial Statements.*

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Grants and Contracts	\$ 1,807,639	\$ 41,137	\$ 1,848,776
Contributions	146,961	60,000	206,961
Investment Income	(232)	7,552	7,320
In-Kind Materials and Services	41,286	-	41,286
Interest and Dividends	1,532	-	1,532
Other	-	3,928	3,928
Total Revenue and Support	<u>1,997,186</u>	<u>112,617</u>	<u>2,109,803</u>
Net Assets Released from Restrictions	<u>113,993</u>	<u>(113,993)</u>	<u>-</u>
Total Revenue and Support	2,111,179	(1,376)	2,109,803
<b>EXPENSES</b>			
Program Services Expense:			
Counseling Services	495,600	-	495,600
School, Court and Family Advocacy	265,782	-	265,782
Child Protection Team	506,026	-	506,026
Family Safety	240,460	-	240,460
Parenting Education	197,149	-	197,149
Total Program Expenses	<u>1,705,017</u>	<u>-</u>	<u>1,705,017</u>
Supporting Services Expense:			
General and Administrative	230,255	-	230,255
Fundraising	138,860	-	138,860
Total Supporting Services Expenses	<u>369,115</u>	<u>-</u>	<u>369,115</u>
Total Expenses	<u>2,074,132</u>	<u>-</u>	<u>2,074,132</u>
<b>CHANGE IN NET ASSETS</b>	37,047	(1,376)	35,671
Net Assets - Beginning of Year	<u>1,268,579</u>	<u>307,406</u>	<u>1,575,985</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 1,305,626</u>	<u>\$ 306,030</u>	<u>\$ 1,611,656</u>

See accompanying Notes to Financial Statements.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2021**

	Program Services					Supporting Services		Total
	Counseling Services	School, Court and Family Advocacy	Child Protection Team	Family Safety	Parenting Education	General and Administrative	Fundraising	
Salaries	\$ 338,060	\$ 183,765	\$ 310,422	\$ 135,532	\$ 132,821	\$ 158,598	\$ 88,766	\$ 1,347,964
Payroll Taxes	25,946	13,521	22,752	10,327	9,634	12,033	6,748	100,961
Employee Benefits	45,369	30,687	54,652	17,457	20,438	20,290	10,595	199,488
Total Salaries and Related Expenses	409,375	227,973	387,826	163,316	162,893	190,921	106,109	1,648,413
Advertising and Promotion	-	47	-	-	-	2,366	7,451	9,864
Bad Debt	-	-	5,281	-	460	-	10,000	15,741
Bank and Credit Card Fees	-	-	-	-	-	980	-	980
Direct Fundraising Costs	-	-	-	-	-	-	3,118	3,118
Depreciation and Amortization	10,702	7,535	14,126	7,588	6,012	2,304	1,743	50,010
Dues and Subscriptions	4,238	2,867	3,500	3,221	2,931	6,886	569	24,212
Education and Seminars	8,684	1,572	999	1,530	2,108	1,567	395	16,855
In-Kind Materials and Services	28,774	260	4,213	5,028	3,010	-	-	41,285
Insurance	5,918	4,304	6,456	4,035	3,497	1,580	1,345	27,135
Interest	2,028	1,520	2,227	1,382	1,152	462	445	9,216
Miscellaneous	-	-	-	-	-	7,120	-	7,120
Professional Services	3,982	4,886	54,361	41,534	2,302	9,588	866	117,519
Rent	3,955	2,876	7,534	2,697	2,337	899	899	21,197
Repairs and Maintenance	4,965	3,630	7,422	3,385	2,914	2,438	1,122	25,876
Supplies	8,367	5,066	7,452	4,035	4,385	2,095	3,895	35,295
Telephone	2,956	2,071	3,347	1,908	2,383	782	636	14,083
Travel	481	321	-	-	71	-	-	873
Utilities	1,175	854	1,282	801	694	267	267	5,340
Total Expenses by Function	<u>\$ 495,600</u>	<u>\$ 265,782</u>	<u>\$ 506,026</u>	<u>\$ 240,460</u>	<u>\$ 197,149</u>	<u>\$ 230,255</u>	<u>\$ 138,860</u>	<u>\$ 2,074,132</u>

See accompanying Notes to Financial Statements.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2021**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$ 35,671</b>
Change in Net Assets	8,106
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in Beneficial Interest	(7,901)
Depreciation	50,010
Changes in Operating Assets and Liabilities:	
Accounts Receivable, Net	8,106
Grants Receivable	(76,119)
Unconditional Promises to Give	16,026
Prepaid Expenses	(10,496)
Accounts Payable and Accrued Expenses	(11,015)
Deferred Revenue	58,676
Net Cash Provided by Operating Activities	<u>62,958</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of Property and Equipment	<u>(15,575)</u>
Net Cash Used by Investing Activities	<u>(15,575)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Principal Payments on Notes Payable	<u>(3,048)</u>
Net Cash Used by Financing Activities	<u>(3,048)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>44,335</b>
Cash and Cash Equivalents - Beginning of Year	<u>667,856</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b><u>\$ 712,191</u></b>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>	
Interest Paid	<u>\$ 9,216</u>
Noncash Contribution of Investments	<u>\$ 30,483</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	
Cash and Cash Equivalents	\$ 533,651
Cash - Restricted	178,540
Total	<u>\$ 712,191</u>

See accompanying Notes to Financial Statements.



**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**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.

**Basis of Accounting**

The Organization's financial statements have been prepared on the accrual basis of accounting, which recognizes revenues when earned, regardless of when received, and expenses when incurred, regardless of when paid.

**Financial Statement Presentation**

Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an endowment.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) 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. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Liquidity**

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

**Cash and Cash Equivalents**

We consider all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted Cash**

Restricted cash consists of temporarily restricted net assets restricted for the purpose of establishing a building fund, as further described in Note 9.

**Accounts and Grants Receivable**

The Organization's management has reviewed accounts and grants receivable outstanding as of June 30, 2021 and considers them to be fully collectible. Based on this and the Organization's prior history of insignificant bad debt on accounts receivable, 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, 2021.

**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 future 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, 2021.

**Property and Equipment**

Property and equipment additions over \$1,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition**

All contributions and grants are considered to be available for use without restriction unless specifically restricted by the donor. Contributions and grants received with donor and grantor stipulations that limit the use of donated assets are treated as net assets with donor restrictions. When the purpose of the restriction is accomplished, the donor-restricted net assets are reclassified to net assets without restrictions and reported in the statement of activities as Net Assets Released from Restrictions. All donor-restricted contributions and grants whose restrictions are met in the same fiscal year as the donation is received are recorded as support without restriction.

Contributions subject to donor-imposed restrictions that they must be maintained permanently are treated as net assets with donor restrictions. The donor of those assets permits the use of income earned on related investments for general purposes.

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.

A portion of the Organization's revenue is the product of cost reimbursement grants. Therefore, the Organization recognizes revenue under these grants in the amounts of costs and expenses at the time they are incurred. As of June 30, 2021, the Organization has \$58,676 in conditional grants that have not been recognized as revenue in the statement of activities because conditions have not been met.

Sales revenue consists of the monthly services offered by the Organization. Therefore, the Organization recognizes revenue monthly as the services are provided.

Other revenue primarily consists of grants from counties and other local agencies and follows the revenue recognition depending on whether the grants are cost reimbursement or unrestricted.

**Beneficial Interests in Investments Held by Others**

Beneficial interests in investments held by others are recorded at fair value. Interest income and market value change earned on the beneficial interest is recorded in the Organization's statement of activities and changes in net assets.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements**

The Organization categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

*Level 1* – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

*Level 2* – Financial assets and liabilities are valued using inputs and quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data. Level 2 includes private collateralized mortgage obligations, certificates of deposit, municipal bonds, and corporate debt securities.

*Level 3* – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset or inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes private equity, venture capital, hedge funds, and real estate.

Subsequent to initial recognition, the Organization may remeasure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

**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 nonfinancial assets or (b) require specialized skills, are provided by the individuals possessing those skills, and would not typically be purchases if not provided by donation. The Organization received contributions of services totaling \$41,286 for the year ended June 30, 2021, included in in-kind materials and services.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Internal Revenue Service (IRS) has determined the Organization is exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, the Organization has been determined by the IRS not to be private foundations within the meaning of Section 509(a) of the IRC. Accordingly, no provision for income taxes has been made in these financial statements.

The Organization follows the income tax standard regarding the recognition and measurement of uncertain tax positions. This guidance clarifies the accounting for uncertainty in income taxes recognized in an Organization's financial statements. The Organization evaluated their tax positions and determined they have no uncertain tax positions that would have a material impact on the financial statements.

The Organization's income tax returns are subject to review and examination by federal and state authorities. The Organization is not aware of any activities that would jeopardize their tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

**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 us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2021, the Organization did not have any cash on deposits at financial institutions that exceed the amount of FDIC insured limit.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Subsequent Events**

We have evaluated subsequent events through February 25, 2022, the date the financial statements were available to be issued.

**Change in Accounting Principle**

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. The guidance requires the Organization to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the Network expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract.

ASU 2014-09 requires organizations to exercise more judgment and recognize revenue using a five-step process. The Organization adopted ASU 2014-09 using the modified retrospective method for all contracts effective June 1, 2020 and is using a portfolio approach to group contracts with similar characteristics and analyze historical cash collections trends. Modified retrospective adoption requires entities to apply the standard retrospectively to the most current period presented in the financial statements, requiring the cumulative effect of the retrospective application as an adjustment to the opening balance of net assets at the date of initial application. Prior periods have not been adjusted. No cumulative-effect adjustment in net assets was recorded as the adoption of ASU 2014-09 did not significantly impact the Organization's reported historical revenue. In addition, retrospective application of ASU 2014-09 would not have resulted in a change in revenue as previously presented.

The adoption of ASU 2014-09 has no impact on the Organization's accounts receivable as it was historically recorded net of allowance for doubtful accounts and contractual adjustments. The adoption of ASU 2014-09 did not have a significant impact on the Organization's statements of activities for the years ended December 31, 2021 and 2020.

The Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurements*. The ASU removes and modifies disclosure requirements retrospectively for nonpublic entities. The ASU is effective for fiscal years beginning after December 31, 2019. The Organization adopted ASU 2018-13 using the retrospective method. The adoption of 2018-13 has no impact on the Organization's fair value measurements.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 LIQUIDITY AND AVAILABILITY**

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

Cash and Cash Equivalents	\$ 533,651
Investments	34,430
Accounts Receivable	203
Grant Receivable	289,537
Unconditional Promises to Give	1,306
Less: Assets Subject to Donor Restrictions	(306,030)
Total	<u>\$ 553,097</u>

The Organization's goal is to maintain financial assets to meet three months of operating expenses, which is approximately \$519,000. 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.

**NOTE 3 BENEFICIAL INTEREST IN INVESTMENTS HELD BY OTHERS**

The Organization transferred funds to the Community Foundation of Collier County for investment purposes. The Community Foundation of Collier County is holding the funds for the benefit of the Organization. Future benefits of these funds remain on the books of the Organization as the funds were originally belonged to the Organization. The amounts are recorded at fair value at June 30, 2021, and the balance is \$34,430.

**NOTE 4 FAIR VALUE**

**Fair Value Measurements**

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization measures fair value refer to Note 1 – Summary of Significant Accounting Policies. The following table presents the fair value hierarchy for the balances of the assets and liabilities of the Organization measured at fair value on a recurring basis as of June 30, 2021:

	2021			
	Level 1	Level 2	Level 3	Total
Assets:				
Beneficial Interest in Assets				
Held by Others	\$ -	\$ -	\$ 34,430	\$ 34,430
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,430</u>	<u>\$ 34,430</u>

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 4 FAIR VALUE (CONTINUED)**

**Fair Value Measurements (Continued)**

<u>Instrument</u>	<u>Fair Value</u> <u>2021</u>	<u>Principal</u> <u>Valuation</u> <u>Technique</u>	<u>Unobservable Inputs</u>
Beneficial Interest in Assets	\$ 34,430	Market Price at Close of Business	Amount and Timing of Distributions from Community Foundation
		<u>Beneficial</u> <u>Interest in</u> <u>Assets</u>	
		<u>2021</u>	
Beginning Balance		\$ 26,529	
Interest Income, Dividends, and Gains (Losses)		8,212	
Transfers Out		(311)	
Ending Balance		<u>\$ 34,430</u>	

**NOTE 5 GRANTS RECEIVABLE**

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

Department of Health - CPT	\$ 57,734
Department of Health - SATP	6,840
Collier County - CPT	14,750
VOCA	145,597
Children's Network of SWFL	8,920
United Way	25,313
FNCAC	30,383
Total	<u>\$ 289,537</u>

**NOTE 6 PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at June 30, 2021:

Buildings and Improvements	\$ 960,761
Buildings not in Service	202,949
Equipment	203,817
Subtotal	<u>1,367,527</u>
Less: Accumulated Depreciation and Amortization	(561,967)
Total Property and Equipment	<u>\$ 805,560</u>

Depreciation and amortization expense totaled \$50,010 for the year ended June 30, 2021.



**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 7 LINE OF CREDIT**

The Organization has 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, 2022, and has a variable interest rate, based on the lender's prime rate. All accrued but unpaid interest is due monthly. As of June 30, 2021, there was no outstanding balance on the line of credit. The Organization incurred no interest expense during the year ended June 30, 2021.

**NOTE 8 NOTES PAYABLE**

The Organization has a note payable with an original balance of \$180,000 for the purchase of a building. The note is collateralized by real property and matures on April 22, 2046. The note payable bears an interest rate of 5.5% through April 22, 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 20, 2021, the outstanding balance was \$165,908.

Future maturities of the notes payable are as follows:

<u>Year Ending June 30.</u>		
2022	\$	12,264
2023		12,264
2024		12,264
2025		12,264
2026		12,264
Thereafter		<u>243,242</u>
Subtotal		304,562
Less: Amount Representing Interest		<u>(138,654)</u>
Total	\$	<u><u>165,908</u></u>

**NOTE 9 NET ASSETS**

Net assets without donor restrictions consisted of the following as of June 30, 2021:

Undesignated	\$	591,935
Equity in Property and Equipment		74,039
Board Designated - Contingency		<u>639,652</u>
Total Net Assets Without Purpose Restrictions	\$	<u><u>1,305,626</u></u>

The board maintains board-designated net assets for future contingencies.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9 NET ASSETS (CONTINUED)**

Net assets with donor restrictions consisted of the following as of June 30, 2021:

Subject to Expenditure for Specified Purpose:	
Capital Campaign	\$ 178,540
Parenting and Darkness to Light Advocacy	40,923
Abuse Intervention Program	41,137
Sexual Abuse Treatment Program	11,000
Total Net Assets With Purpose Restrictions	<u>271,600</u>
Net Assets With Restrictions Perpetual in Nature:	
Endowment	34,430
Total Net Assets With Donor Restrictions	<u><u>\$ 306,030</u></u>

**NOTE 10 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, 2021, was \$38,643, included in employee benefits.

**NOTE 11 ECONOMIC DEPENDENCY**

During the year ended June 30, 2021, the Organization received approximately 10% of its revenue from a grant from the State of Florida Department of Health, 25% of its revenue from an individual community private grant, and 27% of its revenue from the Federal Department of Health.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Collier County Child Advocacy Council, Inc.  
Naples, 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 financial statements of Collier County Child Advocacy Council, Inc. (the Organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 25, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

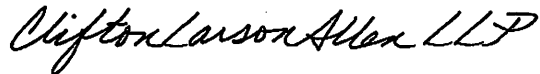
Board of Directors  
Collier County Child Advocacy Council, Inc.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Naples, Florida  
February 25, 2022



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

Board of Directors  
Collier County Child Advocacy Council, Inc.  
Naples, Florida

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

We have audited Collier County Child Advocacy Council, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Circular Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization'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 the Organization'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 major federal programs. However, our audit does not provide a legal determination of the Organization's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

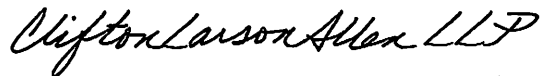
**Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program 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 the Organization's internal control over compliance.

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



**CliftonLarsonAllen LLP**

Naples, Florida  
February 25, 2022

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Contract Grant Number	Federal Expenditures
<b>Department of Housing and Urban Development</b>			
Passed through Collier County HUD			
Community Development Block Grants Entitlement Grant	14.218	B-20-UC-12-0016	\$ 21,561
Total Department of Housing and Urban Development			21,561
<b>Department of Justice</b>			
Passed through State of Florida			
Office of the Attorney General			
Crime Victim Assistance	16.575	VOCA-2019-Collier County Child Advo-00194	143,923
Crime Victim Assistance	16.575	VOCA-2020-Collier County Child Advo-00650	419,390
Total Department of Justice			563,313
<b>Department of Health and Human Services</b>			
Passed through State of Florida			
Department of Health			
Social Services Block Grant	93.667	CP18C	107,571
Passed through Children's Network of Southwest Florida, LLC			
Promoting Safe and Stable Families	93.556	BBQ03	74,120
Total Department of Health and Human Services			181,691
Total Expenditures of Federal Awards			\$ 766,565

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 1 PURPOSE OF SCHEDULE**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Collier County Child Advocacy Council, Inc. (the Organization) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Organization has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance. During the year ended June 30, 2021, there were no funds passed through to subrecipients.



COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021

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**Section I – Summary of Auditors' Results**

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**Financial Statements**

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes        x   none reported
2. Type of auditors' report issued on compliance for major federal programs and state projects: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? \_\_\_\_\_ yes        x   no

COLLIER COUNTY CHILD ADVOCACY COUNCIL, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021

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**Section I – Summary of Auditors' Results (Continued)**

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**Identification of Major Federal Programs**

CFDA Number	Name of Federal Program or Cluster
16.575	Crime Victim Assistance

Dollar threshold used to distinguish between Type A and Type B programs/projects was:  
Major Federal Program \$ 750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?   x   yes            no

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**Section II – Financial Statement Findings**

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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**Section III – Findings and Questioned Costs – Major Federal Programs**

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Our audit did not disclose any matters required to be reported in accordance with the Uniform Guidance.