

2-1-1 Tampa Bay Cares, Inc.

Financial Statements

September 30, 2021 and 2020

and

**Reports of Independent Certified
Public Accountants**



**2-1-1 TAMPA BAY CARES, INC.
TABLE OF CONTENTS**

INDEPENDENT AUDITOR'S REPORT3 - 4

Financial Statements for the Years Ended September 30, 2021 and 2020:

 Statements of Financial Position 5

 Statements of Activities 6 - 7

 Statement of Functional Expenses 8

 Statements of Cash Flows 9

 Notes to Financial Statements 10 - 18

SUPPLEMENTARY INFORMATION

 Schedule of Expenditures of Federal Awards..... 20

 Notes to Schedule of Expenditures of Federal Awards..... 21

**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** 22 - 23

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE** 24 - 25

 Schedule of Findings and Questioned Costs 26 - 27



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
2-1-1 Tampa Bay Cares, Inc.
Clearwater, Florida

We have audited the accompanying financial statements of 2-1-1 Tampa Bay Cares, Inc. (the Organization), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, the related statement of functional expenses for the year ended September 30, 2021, 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 audits. We conducted our audits 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 of 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.

CONTINUED

INDEPENDENT AUDITOR'S REPORT - CONTINUED

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 2-1-1 Tampa Bay Cares, Inc. as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2020 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 20, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 19, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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 the Organization's internal control over financial reporting and compliance.

PDR CPAs + Advisors

Oldsmar, Florida
January 19, 2022

**2-1-1 TAMPA BAY CARES, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2021 AND 2020**

	2021	2020
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 734,466	\$ 109,635
Restricted cash	320,142	1,196,108
Grants and accrued receivables	494,770	8,849,494
United Way receivable	45,000	60,000
Prepaid expenses	80,035	114,784
Total current assets	1,674,413	10,330,021
Property and equipment, net	39,232	66,051
Other Assets		
Reserve fund - CFTB	66,568	36,689
Beneficial interest in assets held by others - PCF	64,445	37,946
Deposits	3,062	3,062
	134,075	77,697
Total Assets	\$ 1,847,720	\$10,473,769
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 21,366	\$ 84,543
Accrued payroll and benefits	148,474	162,830
Funding advances	544,000	9,294,000
Total liabilities	713,840	9,541,373
Net assets		
Without donor restrictions	1,024,435	849,450
With donor restrictions	109,445	82,946
Total net assets	1,133,880	932,396
Total Liabilities and Net Assets	\$ 1,847,720	\$10,473,769

See accompanying notes to financial statements

2-1-1 TAMPA BAY CARES, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2021	2020
Operating Support and Revenue				
Grants and contract revenue	\$ 16,620,675	\$ 45,000	\$ 16,665,675	\$ 17,502,458
Program fees	34,704	-	34,704	23,167
Contributions	32,848	-	32,848	139,516
Investment income	10,860	6,499	17,359	4,063
Net assets released from restrictions				
Expiration of time restrictions	45,000	(45,000)	-	-
Total operating support and revenue	16,744,087	6,499	16,750,586	17,669,204
Operating Expenses				
Program services	16,090,281	-	16,090,281	17,176,090
Management and general	458,821	-	458,821	419,095
Total operating expenses	16,549,102	-	16,549,102	17,595,185
Change in Net Assets Before Other Changes	194,985	6,499	201,484	74,019
Other Changes				
Transfer of net assets to a Foundation	(20,000)	20,000	-	-
Total other changes	(20,000)	20,000	-	-
Change in Net Assets	174,985	26,499	201,484	74,019
Net Assets, Beginning of Year	849,450	82,946	932,396	858,377
Net Assets, End of Year	\$ 1,024,435	\$ 109,445	\$ 1,133,880	\$ 932,396

See accompanying notes to financial statements

**2-1-1 TAMPA BAY CARES, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating Support and Revenue			
Grants and contract revenue	\$17,457,458	\$ 45,000	\$17,502,458
Program fees	23,167	-	23,167
Contributions	139,516	-	139,516
Investment income	2,203	1,860	4,063
Net assets released from restrictions			
Expiration of time restrictions	11,095	(11,095)	-
	<u>17,633,439</u>	<u>35,765</u>	<u>17,669,204</u>
Total operating support and revenue			
Operating Expenses			
Program services	17,176,090	-	17,176,090
Management and general	419,095	-	419,095
	<u>17,595,185</u>	<u>-</u>	<u>17,595,185</u>
Total operating expenses			
Change in Net Assets	38,254	35,765	74,019
Net Assets, Beginning of Year	<u>811,196</u>	<u>47,181</u>	<u>858,377</u>
Net Assets, End of Year	<u>\$ 849,450</u>	<u>\$ 82,946</u>	<u>\$ 932,396</u>

See accompanying notes to financial statements

2-1-1 TAMPA BAY CARES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

	Program Services					Total Program Services	Management and General	Total	
	Family Services Initiative	Crisis Hotline	Help Me Grow	My Florida Vet	Direct Financial Assistance			2021	2020
Salaries and related expenses									
Salaries	\$ 668,697	\$ 418,323	\$ 70,734	\$ 115,534	\$ 483,613	\$ 1,756,901	\$ 223,875	\$ 1,980,776	\$ 1,831,526
Payroll taxes and fringe benefits	111,229	69,583	11,766	19,218	80,443	292,239	37,239	329,478	314,768
Total salaries and related expenses	779,926	487,906	82,500	134,752	564,056	2,049,140	261,114	2,310,254	2,146,294
Other expenses									
Direct client expenses	-	-	-	-	12,932,774	12,932,774	-	12,932,774	14,431,493
Software	71,010	44,422	7,511	12,269	51,356	186,568	14,886	201,454	164,772
Utilities	52,782	33,019	5,583	9,119	56,617	157,120	5,588	162,708	208,943
Depreciation	-	-	-	-	-	-	45,649	45,649	45,331
Rent	33,457	20,930	2,596	5,781	23,212	85,976	9,625	95,601	90,701
Professional fees	24,275	273,127	2,568	4,194	266,358	570,522	71,788	642,310	349,432
Office expenses	24,045	15,042	2,543	4,154	21,139	66,923	8,051	74,974	83,621
Travel, training and conferences	5,255	3,288	556	908	3,801	13,808	1,759	15,567	17,352
Insurance	-	-	-	-	-	-	36,861	36,861	33,005
Other	10,448	6,536	1,105	1,805	7,556	27,450	3,500	30,950	24,241
Total other expenses	221,272	396,364	22,462	38,230	13,362,813	14,041,141	197,707	14,238,848	15,448,891
Total Expenses	\$ 1,001,198	\$ 884,270	\$ 104,962	\$ 172,982	\$ 13,926,869	\$ 16,090,281	\$ 458,821	\$ 16,549,102	\$ 17,595,185

See accompanying notes to financial statements

**2-1-1 TAMPA BAY CARES, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 201,484	\$ 74,019
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	45,649	45,331
Unrealized gains, net of investment fees	(16,378)	(3,449)
(Increase) decrease in operating assets:		
Grants and accrued receivables	8,354,724	(8,344,139)
Prepaid expenses	34,749	(28,604)
United Way receivable	15,000	(48,905)
Deposits	-	4,750
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(63,177)	71,478
Accrued payroll and benefits	(14,356)	91,462
Funding advances	(8,750,000)	8,747,284
Net cash (used in) provided by operating activities	(192,305)	609,227
Cash Flows from Investing Activities:		
Transfer of funds to reserve fund - CFTB	(20,000)	-
Transfer of funds to beneficial interest in a perpetual trust - PCF	(20,000)	-
Acquisition of property and equipment	(18,830)	(38,030)
Net cash used in investing activities	(58,830)	(38,030)
Net (Decrease) Increase in Total Cash	(251,135)	571,197
Total Cash at Beginning of Year	<u>1,305,743</u>	<u>734,546</u>
Total Cash at End of Year	<u>\$ 1,054,608</u>	<u>\$ 1,305,743</u>
Total cash consisted of the following at September 30:		
Cash and cash equivalents	\$ 734,466	\$ 109,635
Restricted cash	<u>320,142</u>	<u>1,196,108</u>
	<u>\$ 1,054,608</u>	<u>\$ 1,305,743</u>

See accompanying notes to financial statements

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

NOTE A - NATURE OF ORGANIZATION

2-1-1 Tampa Bay Cares, Inc. (the Organization) was chartered in 1996 as a Florida, not-for-profit corporation. 2-1-1 Tampa Bay Cares, Inc. provides information, assessment, referrals, crisis intervention, and connections to health and human services.

During 2001, the telephone number 2-1-1, which was set aside by the Federal Communication Commission for easy access to community information, was established in Pinellas County. The Organization also handles calls to 2-1-1 in Hernando County. During 2015, the Organization began collaborating in the Adult Emergency Financial Assistance Program; this project helps individuals and married couples without minor children by providing financial assistance to help prevent evictions, foreclosures, and unhealthy living conditions and help empower them to become self-sufficient. During 2017, the Organization began collaborating in the Rapid Rehousing Program; this project helps place individuals and families with minor children into permanent housing with up to six months of rental and utility deposits and payment assistance.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that 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 the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of 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.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the net assets without donor restrictions class. Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional.

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services. Nonoperating activities, if any, are limited to other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates include the collectability of receivables, determination of the useful lives of the property and equipment, and allocation of functional expenses.

Fair Value Measurement

The financial statements are prepared in accordance with an accounting standard, for all financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in the financial statements or on a recurring basis (at least annually). Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. The standard also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit with financial institutions and from time to time money market fund accounts. The Organization considers all highly liquid assets with an initial maturity of three months or less as cash.

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash held in financial institutions in excess of federally-insured limits. From time to time throughout the years ended September 30, 2021 and 2020, the Organization's cash balance may have exceeded the federally insured limit. However, the Organization has not experienced and does not expect to incur any losses in such accounts.

Restricted Cash

Restricted cash represents prepayments from expense reimbursement grants. Restricted cash amounts are limited in use to client direct expenses under the related grants.

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Grants and Accrued Receivables

The Organization records a receivable and revenue at the time funds are earned. Accrued receivables consist of direct client expense that have been distributed and are amounts earned under cost reimbursement contracts that have not yet been billed to the funder. Management estimates the allowance for uncollectible grants and accrued receivables based on a review of the individual receivables outstanding as of the end of the year. Management writes off receivables as identified against the allowance amount. At September 30, 2021, the Organization considered all receivables to be fully collectible and no allowance was necessary. The Organization had an allowance of \$135,528 at September 30, 2020.

Noncash Contributions

Donated supplies, materials, publications, etc. are recorded as unrestricted contributions in the period received at fair value. Only such assets with determinable fair value are recorded. Donated services are recognized and recorded at fair market value only to the extent they create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Accrued Payroll and Benefits

Accrued payroll and benefits represent accrued wages, vested vacation leave, and accrued retirement contributions. Vacation leave is charged as an expense in the period in which it is earned by the employee.

Property and Equipment

Property and equipment are stated at cost, if purchased or at estimated fair value at the date of receipt, if acquired by gift. Expenditures in excess of \$1,000 with an estimated useful life in excess of one year are capitalized. Depreciation is calculated using the straight-line method with a full year convention over the useful lives of the respective assets ranging from 3 to 10 years.

Funding Advances

Funding advances consist of amounts received upfront from funders to assist in the payment of direct client assistance and related administrative costs. The amounts will be applied to future receivables from the respective funder or refunded to the funder if not utilized.

Revenue Recognition

Federal grants, contract revenues and certain other revenues, including cost reimbursement contracts, are considered conditional contributions and are recorded as unrestricted revenue when the contract conditions are met. Payments received in advance of the conditions being met are recorded as funding advances until earned. Revenue is earned and recognized in the accompanying financial statements when eligible expenses are incurred or services provided.

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair market value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell. Management has determined that no impairment occurred during the years ended September 30, 2021 and 2020.

Functional Classification of Expenses

The cost of providing the Organization's various programs and other activities has been summarized on a functional basis in the statement of activities and functional expenses.

Program and supporting expenses, when specifically identifiable, are classified to the function which incurred the expense. Those specifically identifiable include direct client expenses and depreciation. All other expenses are allocated among programs and supporting services based upon the ratio of employee time spent in each functional area.

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded.

Uncertain Tax Positions

The Organization accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for all uncertain tax positions. The Organization has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Organization has determined that such tax position does not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. The Organization's federal returns are generally open for examination for three years following the date filed.

Summarized Comparative Financial For 2020

The accompanying financial statements include certain prior year summarized comparative total amounts. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2020, from which the summarized information was derived.

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets available to meet general expenditures over the next twelve months:

	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash and cash equivalents	\$ 734,466	\$ 109,635
Grants and accrued receivables	<u>539,770</u>	<u>8,909,494</u>
Total financial assets	<u>1,274,236</u>	<u>9,019,129</u>
Less Amounts Not Available to be Used Within One Year:		
Grants and accrued receivables with restrictions	<u>282,923</u>	<u>8,104,938</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 991,313</u>	<u>\$ 914,191</u>

As described in **NOTE H**, the Organization also has a \$250,000 line-of-credit available for use in meeting financial obligations. Additionally at September 30, 2021 and 2020, the Organization had \$131,013 and \$74,635, respectively, in assets with community foundations that could be liquidated if determined appropriate and initiated by the Organization.

NOTE D - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 391,074	\$ 372,244
Leasehold improvements	220,000	220,000
Software	<u>19,500</u>	<u>19,500</u>
Total property and equipment	630,574	611,744
Less accumulated depreciation	<u>(591,342)</u>	<u>(545,693)</u>
	<u>\$ 39,232</u>	<u>\$ 66,051</u>

Depreciation expense was \$45,649 and \$45,331 for the years ended September 30, 2021 and 2020, respectively.

**2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020**

NOTE E - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Organization has invested funds with the Pinellas Community Foundation (PCF). This amount is considered an asset of the Organization and is presented as beneficial interest in assets held by others in the accompanying statements of financial position. The assets of the beneficial interest are invested according to the PCF investment policy. Earnings on these funds are periodically distributed to the Organization in accordance with the PCF agreement. As of September 30, 2021 and 2020, the fair value of these assets was \$64,445 and \$37,946, respectively, and included in net assets with donor restrictions. Unrealized gains and losses are included in the statements of activities within investment income.

NOTE F - RESERVE FUND

The Organization established a reserve fund in April 2019 with the Community Foundation of Tampa Bay (CFTB). The assets of the reserve fund are invested according to the CFTB investment policy. Earnings on the funds are periodically distributed to the Organization in accordance with the CFTB agreement. As of September 30, 2021 and 2020, the fair value of these assets was \$66,568 and \$36,689, respectively, and included in net assets without donor restrictions. Unrealized gains and losses are included in the statements of activities within investment income.

NOTE G - FAIR VALUE MEASUREMENT

The Organization's investments are reported at fair value in the accompanying statements of financial position. Following is a description of valuation methodologies used for investments measured at fair value.

Beneficial interest in a perpetual trust and reserve funds - The investments are managed by an unrelated third party and are valued based upon the third party information without adjustment. The Organization does not develop nor are they provided with the quantitative inputs used to develop the fair market values. Management has determined that these should be reported at Level 3 because the fair values for these assets have unobservable inputs.

Fair values of assets measured on a recurring basis at September 30, 2021 are as follows:

Fair Value Measurements at Reporting Date Using				
Description	Quoted Prices In Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total Fair Value
Investments:				
Reserve fund	\$ -	\$ -	\$ 66,568	\$ 66,568
Beneficial interest in perpetual trusts	-	-	64,445	64,445
	\$ -	\$ -	\$ 131,013	\$ 131,013

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE G - FAIR VALUE MEASUREMENT - CONTINUED

Fair values of assets measured on a recurring basis at September 30, 2020 are as follows:

<u>Description</u>	<u>Quoted Prices In Active Markets for Identical Assets Level 1</u>	<u>Significant Other Observable Inputs Level 2</u>	<u>Significant Unobservable Inputs Level 3</u>	<u>Total Fair Value</u>
Investments:				
Reserve fund	\$ -	\$ -	\$ 36,689	\$ 36,689
Beneficial interest in perpetual trusts	-	-	37,946	37,946
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,635</u>	<u>\$ 74,635</u>

The following is a summary of changes in the fair value of the Organization's Level 3 assets for the year ended September 30:

	<u>2021</u>	<u>2020</u>
Balance, October 1	\$ 74,635	\$ 71,186
Invested amounts	40,000	-
Investment income	17,359	4,063
Investment fees	(981)	(614)
Balance, September 30	<u>\$ 131,013</u>	<u>\$ 74,635</u>

NOTE H - LINE-OF-CREDIT

The Organization has a \$250,000 line-of-credit that renews annually in March. The interest rate on this line-of-credit is the prime rate (3.25% at September 30, 2021 and 2020). There were no amounts outstanding on the line-of-credit at September 30, 2021 and 2020. The Organization had \$250,000 available for use at September 30, 2021 and 2020. The line is collateralized by substantially all assets of the Organization.

NOTE I - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions includes amounts contributed to the Organization by the United Way that have not yet been collected. Additionally, net assets with donor restrictions also includes beneficial interest in assets held by others as described in **NOTE E**. Net assets with donor restrictions released from restrictions represent amounts contributed from United Way that were restricted at the beginning of the respective fiscal year and collected during that fiscal year.

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE J - LEASE EXPENSE AND COMMITMENTS

The Organization leases office space and office equipment under various operating leases through fiscal year 2022. Lease expense for the years ended September 30, 2021 and 2020 was \$84,445 and \$79,697, respectively, and is included in rent expense on the statement of functional expenses. The aggregate future minimum lease payments under these operating leases for the year ending September 30, 2022 is \$53,834.

NOTE K - CONCENTRATIONS

The following grantors each provided a significant amount of the Organization's revenue for the years ended September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
The Juvenile Welfare Board of Pinellas County	6%	6%
Pinellas County	<u>87%</u>	<u>89%</u>
	93%	95%

At September 30, 2021 and 2020, the two grantors above also account for approximately 71% and 98%, respectively, of the outstanding grants and account receivables.

NOTE L - GRANT AND CONTRACT REVENUE

The Organization receives support from several grantors and various agencies. During the years ended September 30, grant and contract revenue consisted of the following:

<u>Grantor/Program Name</u>	<u>2021</u>	<u>2020</u>
Pinellas County	\$ 14,648,657	\$ 15,733,238
Juvenile Welfare Board of Pinellas County	1,023,953	973,856
FEMA Grant	418,410	47,119
My FL Vet	171,154	163,003
United Way of Suncoast	118,625	131,250
Help Me Grow	95,904	113,651
Healthy Transitions	43,063	55,976
City of St. Petersburg - Homeless Services	41,703	50,000
Duke Energy - Tampa Bay Rays	40,000	83,000
United Way of Hernando County	25,000	25,000
St. Vincent de Paul	20,004	35,754
DCF Challenge Grant	8,645	-
FLAIRS	7,586	8,987
Other Local and State Grants	1,846	8,286
City of Oldsmar	725	725
Pinellas Community Foundation	400	55,000
Ride United	-	12,613
Rays Baseball Foundation	-	5,000
	<u>\$ 16,665,675</u>	<u>\$ 17,502,458</u>

2-1-1 TAMPA BAY CARES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2021 and 2020

NOTE M - RETIREMENT PLAN

The Organization has established a tax sheltered annuity plan (the Plan) whereby a percentage of base salaries of eligible participating employees may be contributed to the Plan by the Organization. The Organization's contribution is discretionary. Participating employees may also elect to contribute a percentage of their salaries. The Plan covers substantially all employees. Participants fully vest in the employer's contribution after five years of service to the Organization. Total expense incurred by the Organization related to the Plan during the years ended September 30, 2021 and 2020 was \$29,721 and \$33,697, respectively.

NOTE N - COMMITMENTS AND CONTINGENCIES

The Organization is subject to audit examination by funding sources to determine compliance with grant conditions. In the event that expenditures would be disallowed, repayment could be required. Management believes the Organization to be in compliance with the terms of its funding agreements.

COVID-19

On January 30, 2020, the World Health Association (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the year ended September 30, 2022.

NOTE O - SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through January 19, 2022 the date the financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

**2-1-1 TAMPA BAY CARES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2021**

<u>Federal Agency Pass-Through Entity Federal Program</u>	<u>CFDA Number</u>	<u>Contract/ Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
FEDERAL AWARDS:			
Department of Treasury			
<u>Passed through Pinellas County</u>			
Coronavirus Relief Fund	21.019 - COVID	N/A	\$ 11,858,664
U.S. Department of Health and Human Services			
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke			
	93.426	N/A	1,287
Mental Health Disaster Assistance and Emergency Mental Health			
	93.982 - COVID	LH811	<u>418,410</u>
Total - U.S. Department of Health and Human Services			<u>419,697</u>
Total expenditures of federal awards			<u><u>\$ 12,278,361</u></u>

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

2-1-1 TAMPA BAY CARES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2021

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of 2-1-1 Tampa Bay Cares, Inc. under programs of the federal government for the year ended September 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 2-1-1 Tampa Bay Cares, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of 2-1-1 Tampa Bay Cares, Inc.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Organization did not elect to use the 10% de minimis indirect cost rate.

SUBRECIPIENTS

The Organization did not provide federal or state funds to subrecipients for the year ended September 30, 2021.



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

To the Board of Directors
2-1-1 Tampa Bay Cares, 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 2-1-1 Tampa Bay Cares, Inc. (a nonprofit organization) (the Organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 19, 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 Organization'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.

CONTINUED

**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 - CONTINUED**

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 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.

PDR CPAs + Advisors

Oldsmar, Florida
January 19, 2022

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

To the Board of Directors
2-1-1 Tampa Bay Cares, Inc.

Report on Compliance for Each Major Federal Program

We have audited 2-1-1 Tampa Bay Cares, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended September 30, 2021. The Organization'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 applicable to its federal programs.

Auditor's 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 each major federal program. 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 September 30, 2021.

CONTINUED

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

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 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 weakness 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.

PDR CPAs + Advisors

Oldsmar, Florida
January 19, 2022

**2-1-1 TAMPA BAY CARES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2021**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified not considered to be material weakness(es)? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards Section

Internal control over major federal programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified not considered to be material weakness(es)? yes none reported

Type of auditor's report on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR part 200, subpart E of the Uniform Guidance? yes no

Identification of major federal programs:

Federal Programs:

CFDA Numbers	Name of Federal Program
21.019 - COVID	Coronavirus Relief Fund

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

Auditee qualified as low-risk auditee for federal purposes? yes no

2-1-1 TAMPA BAY CARES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
SEPTEMBER 30, 2021

Part II - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weakness, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

There were no reportable findings.

Part III - Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weakness, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by the Uniform Guidance.

There were no reportable findings.

Summary Schedule of Prior Audit Findings

A Summary Schedule of Prior Audit Findings is not necessary since there were no prior year audit findings related to a major federal program.