

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

REPORT ON AUDIT OF COMBINED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED SEPTEMBER 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)**

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

Table of Contents

Report of independent auditors	1–2
Combined financial statements:	
Combined statement of financial position	3
Combined statement of activities	4
Combined statement of functional expenses	5–6
Combined statement of cash flows	7
Notes to combined financial statements	8–19
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 <i>Government Auditing Standards</i>	20–21
Combining information:	
Combining schedule - statement of financial position information	22
Combining schedule - statement of activities information	23
Combining schedule - statement of cash flows information	24

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying combined financial statements of Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County (a nonprofit organization) and Families First of Palm Beach County Foundation, Inc. (also a nonprofit organization) (combined, hereinafter referred to as the Organization), which comprise the combined statement of financial position as of September 30, 2019, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Organization as of September 30, 2019, and the combined changes in their net assets and their combined cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Reporting Required by *Government Auditing Standards*

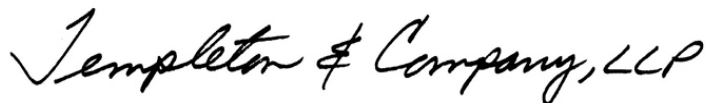
In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2019, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Combining Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying combining information as of and for the year ended September 30, 2019 is presented for purposes of additional analysis of the combined financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities, and it is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the combined financial statements. The combining information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Report on Summarized Comparative Information

The summarized comparative information presented herein as of and for the year ended September 30, 2018 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.



West Palm Beach, Florida
December 16, 2019

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

**COMBINED STATEMENT OF FINANCIAL POSITION
As of September 30, 2019
(with comparative totals for 2018)**

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 323,609	\$ -	\$ 323,609	\$ 441,489
Investments	791,288	119,857	911,145	806,306
Program funds receivable	370,945	39,328	410,273	553,667
Prepaid expenses	96,412	-	96,412	141,405
Total current assets	1,582,254	159,185	1,741,439	1,942,867
Property and equipment, net	81,426	-	81,426	106,702
Total assets	<u>\$ 1,663,680</u>	<u>\$ 159,185</u>	<u>\$ 1,822,865</u>	<u>\$ 2,049,569</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 271,028	\$ -	\$ 271,028	\$ 231,014
Deferred revenue	55,825	-	55,825	63,693
Total current liabilities	326,853	-	326,853	294,707
Net assets:				
Without donor restrictions	1,336,827	-	1,336,827	1,221,604
With donor restrictions	-	159,185	159,185	533,258
Total net assets	1,336,827	159,185	1,496,012	1,754,862
Total liabilities and net assets	<u>\$ 1,663,680</u>	<u>\$ 159,185</u>	<u>\$ 1,822,865</u>	<u>\$ 2,049,569</u>

See notes to combined financial statements.

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

**COMBINED STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2019
(with comparative totals for 2018)**

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
Revenues and support:				
Government support	\$ -	\$ 3,845,663	\$ 3,845,663	\$ 3,766,569
Community support	-	176,234	176,234	189,877
Foundation grants	613,201	-	613,201	610,106
Other support	85,645	22,492	108,137	137,492
Fundraising	-	157,380	157,380	141,512
In-kind revenue	33,918	-	33,918	1,070
Net investment return	26,487	12,383	38,870	51,236
	<u>759,251</u>	<u>4,214,152</u>	<u>4,973,403</u>	<u>4,897,862</u>
Total revenues and support				
Net assets released from restrictions	<u>4,588,225</u>	<u>(4,588,225)</u>	<u>-</u>	<u>-</u>
	<u>5,347,476</u>	<u>(374,073)</u>	<u>4,973,403</u>	<u>4,897,862</u>
Expenses:				
Program services:				
Healthy Families Florida	1,822,991	-	1,822,991	1,702,220
Child First	753,494	-	753,494	818,502
Behavioral Health Services	853,681	-	853,681	539,880
Bridges to Success	347,119	-	347,119	309,606
Kin Support Project	233,876	-	233,876	195,765
Target Outreach for Pregnant Women	375,263	-	375,263	323,558
Other program services	9,896	-	9,896	68,721
Supporting services:				
Management and general	797,425	-	797,425	782,985
Fundraising	38,508	-	38,508	31,532
	<u>5,232,253</u>	<u>-</u>	<u>5,232,253</u>	<u>4,772,769</u>
Total expenses				
Increase (decrease) in net assets	115,223	(374,073)	(258,850)	125,093
Net assets at beginning of year	<u>1,221,604</u>	<u>533,258</u>	<u>1,754,862</u>	<u>1,629,769</u>
Net assets at end of year	<u>\$ 1,336,827</u>	<u>\$ 159,185</u>	<u>\$ 1,496,012</u>	<u>\$ 1,754,862</u>

See notes to combined financial statements.

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

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2019
(with comparative totals for 2018)**

	Program Services						2019 Total	2018 Total	
	Healthy Families Florida	Child First	Behavioral Health Services	Bridges To Success	Kin Support Project	Targeted Outreach for Pregnant Women			Other Program Services
Special assistance expenses:									
Food	\$ -	\$ 162	\$ -	\$ 586	\$ -	\$ -	\$ 56	\$ 804	\$ 5,144
Rent/mortgage	1,811	600	-	145,444	-	-	1,009	148,864	140,763
Utilities	3,096	207	-	6,408	-	-	497	10,208	5,794
Other expense	1,626	4,072	455	11,003	150	-	4,916	22,222	84,638
Personnel expenses:									
Salaries	1,039,575	438,661	601,225	122,740	151,912	247,480	-	2,601,593	2,305,938
Payroll taxes and benefits	316,671	130,476	124,349	29,467	43,827	66,430	-	711,220	645,850
Occupancy expenses:									
Rent	123,446	84,980	28,582	8,319	13,534	14,155	-	273,016	258,875
Repairs and maintenance	21,275	9,824	2,555	4,895	748	1,094	-	40,391	36,879
Utilities	44,340	19,411	10,451	3,219	3,702	6,600	-	87,723	82,393
Office and administrative:									
Printing and postage	6,909	2,416	1,448	255	680	696	-	12,404	16,824
Supplies	47,483	6,612	7,016	2,173	1,049	1,886	-	66,219	49,839
Legal and audit	20,466	7,100	3,221	1,656	2,088	2,088	-	36,619	21,509
Consulting and professional fees	64,643	21,017	28,303	2,391	5,980	5,980	-	128,314	97,550
Insurance	14,177	4,918	2,315	579	1,447	1,447	-	24,883	26,512
Other expenses:									
Conferences and travel	84,014	17,293	18,347	6,099	5,125	24,732	-	155,610	146,814
Special events	5,482	-	-	-	1,176	521	1,481	8,660	7,775
Dues and subscriptions	4,447	334	3,399	864	1,586	1,426	-	12,056	5,676
Training and development	13,426	4,191	4,808	522	72	10	-	23,029	5,522
Awards and grants	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	6,179	1,220	17,207	499	800	718	1,937	28,560	9,996
Affiliated organizations	3,925	-	-	-	-	-	-	3,925	3,925
Bank charges and credit card fees	-	-	-	-	-	-	-	-	36
Depreciation and amortization expense	-	-	-	-	-	-	-	-	-
	<u>\$ 1,822,991</u>	<u>\$ 753,494</u>	<u>\$ 853,681</u>	<u>\$ 347,119</u>	<u>\$ 233,876</u>	<u>\$ 375,263</u>	<u>\$ 9,896</u>	<u>\$ 4,396,320</u>	<u>\$ 3,958,252</u>

See notes to combined financial statements.

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

COMBINED STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED
For the Year Ended September 30, 2019
(with comparative totals for 2018)

	Supporting Services					
	Management and General	Fund Raising	2019 Total	2018 Total	2019 Total	2018 Total
Special assistance expenses:						
Food	\$ -	\$ -	\$ -	\$ 732	\$ 804	\$ 5,876
Rent/mortgage	-	-	-	-	148,864	140,763
Utilities	-	-	-	2,132	10,208	7,926
Other expense	4,849	-	4,849	18,941	27,071	103,579
Personnel expenses:						
Salaries	489,756	-	489,756	507,910	3,091,349	2,813,848
Payroll taxes and benefits	121,191	-	121,191	109,238	832,411	755,088
Occupancy expenses:						
Rent	36,275	-	36,275	33,702	309,291	292,577
Repairs and maintenance	1,979	-	1,979	2,410	42,370	39,289
Utilities	7,949	-	7,949	7,015	95,672	89,408
Office and administrative:						
Printing and postage	2,088	-	2,088	3,030	14,492	19,854
Supplies	13,042	-	13,042	7,431	79,261	57,271
Legal and audit	9,148	-	9,148	4,718	45,767	26,227
Consulting and professional fees	54,514	-	54,514	25,035	182,828	122,585
Insurance	5,125	-	5,125	2,219	30,008	28,731
Other expenses:						
Conferences and travel	3,527	-	3,527	3,739	159,137	150,553
Special events	2,966	38,508	41,474	31,636	50,134	39,411
Dues and subscriptions	5,674	-	5,674	3,872	17,730	9,548
Training and development	659	-	659	709	23,688	6,231
Awards and grants	-	-	-	1,725	-	1,725
Miscellaneous expenses	1,806	-	1,806	4,716	30,366	14,712
Affiliated organizations	-	-	-	-	3,925	3,925
Bank charges and credit card fees	11,706	-	11,706	11,552	11,706	11,587
Depreciation and amortization expense	25,171	-	25,171	32,055	25,171	32,055
	<u>\$ 797,425</u>	<u>\$ 38,508</u>	<u>\$ 835,933</u>	<u>\$ 814,517</u>	<u>\$ 5,232,253</u>	<u>\$ 4,772,769</u>

See notes to combined financial statements.

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

**COMBINED STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2019
(with comparative totals for 2018)**

	2019	2018
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ (258,850)	\$ 125,093
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	25,171	32,055
Net realized and unrealized gains	(18,468)	(32,750)
Changes in operating assets and liabilities:		
Program funds receivable	143,394	(92,642)
Prepaid expenses	44,993	(19,716)
Accounts payable and accrued expenses	40,014	68,190
Deferred revenue	(7,868)	17,058
Net cash provided by (used in) operating activities	(31,614)	97,288
Cash flows from investing activities:		
Purchase of property and equipment	-	(38,846)
Proceeds from sale of property and equipment	105	-
Purchase of investments, net	(86,371)	(36,170)
Net cash used in investing activities	(86,266)	(75,016)
Increase (decrease) in cash and cash equivalents	(117,880)	22,272
Cash and cash equivalents at beginning of year	441,489	419,217
Cash and cash equivalents at end of year	\$ 323,609	\$ 441,489

See notes to combined financial statements.

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

NOTES TO COMBINED FINANCIAL STATEMENTS

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

Nature of activities

Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County is a Florida non-profit corporation which has served our community for 29 years, and provides child abuse prevention, family strengthening, health, housing, and behavioral health services for families whose life circumstances impact child and family health and stability. Many of the families served by Families First struggle with domestic violence, homelessness, drug or alcohol abuse, mental or physical health issues or just a change in circumstance that has left them unable to cope. With six programs, Families First helps them build on their strengths and designs individualized plans that meet each family's specific needs.

Families First sees many successes: Families served through the nationally evidence-based Healthy Families program remain free from abuse and neglect one year post services; Babies born to HIV positive mothers through the TOPWA (Targeted Outreach for Pregnant Women) program are born healthy and negative for HIV; hundreds of women of child-bearing age are giving birth to healthy infants because they receive healthcare before conception and prenatally. Also, children exhibiting behaviors that indicate emotional or mental health issues are being treated at early ages so that they can be successful in school, at home, and in the community now and in adulthood.

The following are the programs:

- **Healthy Families Florida** helps strengthen families and ensure healthy childhood development.
- **Child First** is an intensive early childhood home-visiting intervention that works within an early childhood system of care to decrease the incidence of serious emotional disturbance, developmental and learning problems, and abuse and neglect among high-risk, very young children and their families.
- **Behavioral Health Services** consists of comprehensive family-driven services and flexible treatment strategies for at-risk and high-risk children and their families across Palm Beach County.
- **Bridges to Success** is focused on providing safe and affordable housing for those addressing the frequently interrelated problems of chronic homelessness, drug addiction, mental illness, and other disabilities impairing functioning.
- **Kin Support Project** is designed to educate and empower grandparents, aunts, uncles, and siblings caring for a relative's child by increasing their knowledge and use of community resources and legal services.
- **Targeted Outreach for Pregnant Women** assists high risk pregnant women with securing a medical home with the goal of healthy birth outcomes free from HIV and drug exposure.

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

Principles of combination

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

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

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

Basis of presentation

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

Net assets

The combined financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

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

Net assets with donor restrictions - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions.

The Organization's unspent contributions are included in this class if the donor limited their use, as are its donor imposed endowment funds.

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

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

Classification of transactions

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

Revenue and support recognition

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

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

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

Contributions

Unconditional promises (contributions and grants) to give are recognized as contributions when the promise is received. Unconditional promises to give that are expected to be collected in less than one year are reported at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible promises to give is determined based on management's evaluation of the collectability of individual promises. Promises that remain uncollected more than one year after their due dates are written off unless the donor indicates that payment is merely postponed.

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

Grants

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

Cash and cash equivalents

Cash and cash equivalents include non-interest bearing accounts, interest bearing accounts, and other highly liquid investments with an original maturity of three months or less.

Investments

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

The net investment return includes realized gains and losses and unrealized gains and losses, based on changes in fair values during the period. Net investment returns are reported in appropriate net asset classifications based upon the existence of donor restrictions, if any.

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

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

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

Property and equipment

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

Income taxes

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

Management analyzes tax positions in jurisdictions where it is required to file income tax returns. Based on its evaluation, management did not identify any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly increase or decrease. Interest and penalties attributable to income taxes, if any, are included in operating expenses. No such interest or penalties were recorded for the years 2019 or 2018. The Organization is no longer subject to income tax examinations for fiscal years prior to 2016.

Fair value of financial instruments

The combined financial statements provide for fair value disclosures for financial instruments for which it is practicable to estimate fair value. Financial instruments include cash and cash equivalents, unconditional promises to give, programs receivable, and accounts payable and accrued expenses, and are stated at carrying cost at year-end, which approximates fair value. Other financial instruments at year-end are stated at fair value.

Compensated absences

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

Use of estimates

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

Reclassifications

Certain amounts appearing in the 2018 comparative totals have been reclassified to conform to the 2019 presentation.

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

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

Functional allocation of expenses

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses that can be identified with a specific program and supporting service are allocated directly according to their natural expenditure classification. The combined financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Organization. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

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

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

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

Change in accounting principles

The Organization implemented FASB Accounting Standard Update (ASU) No. 2016-14 in the current year, applying the changes retrospectively. The new standards change the following aspects of the financial statements:

- The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a disclosure about liquidity and availability of resources (Note 2).

The changes have the following effect on net assets at October 1, 2018.

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted net assets	\$ 1,221,604	\$ -
Temporarily restricted net assets	415,734	-
Permanently restricted net assets	117,524	-
Net assets without donor restrictions	-	1,221,604
Net assets with donor restrictions	-	533,258
Total	<u>\$ 1,754,862</u>	<u>\$ 1,754,862</u>

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

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

New accounting pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The ASU introduces a comprehensive, principles-based framework for recognizing revenue. The new revenue guidance introduces FASB Accounting Standards Codification (ASC) 606 and supersedes the revenue recognition requirements of FASB ASC 605 and most industry-specific guidance in the FASB ASC. The ASU is intended to improve GAAP by providing a framework to address revenue recognition issues, creating more consistency and comparability of revenue recognition practices across entities and industries, and improving the usefulness of information provided to financial statement users through more robust disclosure requirements. This pronouncement is effective for the years beginning after December 15, 2018. Management believes the impact of this ASU will not be material to the combined financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which is intended to increase transparency and comparability of accounting for lease transactions. The ASU will require all leases to be recognized on the statement of financial position as lease assets and lease liabilities and will require both quantitative and qualitative disclosures regarding key information about leasing arrangements. Lessor accounting is largely unchanged. The new pronouncement is effective for years beginning after December 15, 2020, including interim periods within that year.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820), Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement (ASU 2018-13)*. The amendments in ASU 2018-13 modify the disclosure requirements in Topic 820 of the disclosure framework. The modifications include removing the requirement to disclose the amount of and reason for transfers between Level 1 and Level 2 of the fair value hierarchy, the policy for timing of transfers between levels, the valuation processes for Level 3 fair value measurements, and the changes in unrealized gains and losses for the period included in earnings for recurring Level 3 fair value measurements held at the end of the reporting period. Also, in lieu of a roll forward for Level 3 fair value measurements, a nonpublic entity is required to disclose transfers into and out of Level 3 of the fair value hierarchy and purchases and issues of Level 3 assets and liabilities. Additionally, for certain entities that calculate net asset value, an entity is required to disclose the timing of an investee's assets and the date when restrictions from redemptions that lapse only if the investee has communicated the timing to the entity or announced the timing publicly. ASU 2018-13 is effective for fiscal years beginning on or after December 15, 2019 with early adoption permitted to any removed or modified disclosures of this update. The Organization is evaluating the effect of ASU 2018-13 on its combined financial statements and related disclosures.

Note 2 – Liquidity and Availability

Financial assets available for general expenditure within one year of September 30, 2019 are:

Financial assets at year end:	
Cash and cash equivalents	\$ 323,609
Investments (Note 3)	911,145
Program funds receivable (Note 5)	<u>410,273</u>
Total financial assets	1,645,027
Less financial assets held to meet donor-imposed restrictions:	
Purpose-restricted net assets (Note 8)	(39,328)
Less board-designated endowment fund (Note 8)	<u>(119,857)</u>
Amount available for general operating expenditures, liabilities and obligations within one year	<u>\$ 1,485,842</u>

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

Note 2 – Liquidity and Availability, Continued

The above table reflects donor-restricted and any board-designated endowment funds as unavailable because it is the Organization's intention to invest those resources for the long-term support of the Organization's programs. However, in the case of need, the Board of Directors could appropriate resources from its board-designated endowment funds for general use and operations. The Board of Directors could also appropriate resources from the donor restricted endowment funds available for general use. Note 8 provides more information about those funds and about the spending policies for all endowment funds.

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

Note 3 – Investments

A summary of investments, by investment type, at September 30, 2019 is presented as follows:

	2019
Equity funds and marketable securities	\$ 188,483
Fixed income funds	335,974
Corporate bonds	60,674
Mutual funds	206,157
Donor advised account	119,857
	\$ 911,145

Note 4 – Fair Value Measurements

Accounting guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under ASC 820 are described below:

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

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

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

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

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 4 – Fair Value Measurements, Continued

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

The following table summarizes the Organization's determination of fair value as of September 30, 2019 on the following financial assets and liabilities using these input levels that are measured at fair value on a recurring basis:

	Fair Value Measurements as of September 30, 2019			
	Level 1	Level 2	Level 3	Fair Value Total
Investments:				
Equity funds and marketable securities	\$ 188,483	\$ -	\$ -	\$ 188,483
Fixed income funds	335,974	-	-	335,974
Corporate bonds	60,674	-	-	60,674
Mutual funds	206,157	-	-	206,157
Subtotal	791,288			791,288
Donor advised account	-	-	119,857	119,857
Total investments	\$ 791,288	\$ -	\$ 119,857	\$ 911,145

The following is a schedule of Level 3 investment activity for the year ended September 30, 2019 measured on a recurring basis using significant unobservable inputs:

	Donor Advised Account
Balance as of October 1, 2018	\$ 117,524
Net investment return	2,402
Fees	(69)
Balance as of September 30, 2019	\$ 119,857

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no significant changes in the methodologies used during the year ended September 30, 2019:

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

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

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

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

NOTES TO COMBINED FINANCIAL STATEMENTS, CONTINUED

Note 4 – Fair Value Measurements, Continued

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

Donor advised account - The donor advised account with Community Foundation for Palm Beach and Martin Counties is valued at the net asset value of the account at the end of the year.

Note 5 – Program Funds Receivable

Program funds receivable are collectible in less than one year and consist of the following at September 30, 2019:

Children's Services Council	\$ 235,042
Ounce of Prevention Fund	52,510
Adopt-A-Family	25,833
The Florida Department of Health	46,213
Other	<u>50,675</u>
Total	<u>\$ 410,273</u>

Note 6 – Property and Equipment

The following is a summary of property and equipment as of September 30, 2019:

Computer equipment	\$ 371,366
Office equipment	137,900
Furniture and fixtures	<u>26,317</u>
	535,583
Less accumulated depreciation	<u>454,157</u>
Property and equipment, net	<u>\$ 81,426</u>

Depreciation expense for the year ended September 30, 2019 amounted to \$25,171.

Note 7 – Lease Commitment

The Organization conducts its community service programs from facilities it leases in West Palm Beach, Belle Glade, and Wellington. The lease for the main offices in West Palm Beach is for 60 months and expires September 30, 2023. The Organization leases the facility in Belle Glade on a month-to-month basis. The Organization also has a five-year lease for the Wellington facility; which expires on August 31, 2020. In addition, the Organization leases office equipment at \$1,599 per month through September 30, 2021. Total rent and equipment lease expenses for the year ended September 30, 2019 was \$309,291.

Minimum future rental payments due under these leases as of September 30, 2019 are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2020	\$ 296,662
2021	218,868
2022	222,708
2023	<u>223,350</u>
	<u>\$ 961,588</u>

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

Note 8 – Net Assets with Donor Restrictions

At September 30, 2019, net assets with donor restrictions are available for the following purposes or periods:

Purpose and time restrictions:	
Seasons to Share	\$ 58,741
Behavioral Health Services	(74,593)
Targeted Outreach for Pregnant Women	29,204
Child First and other	<u>25,976</u>
	39,328
Endowment funds with perpetual restrictions:	
Community Foundation	<u>119,857</u>
Total net assets with donor restrictions	<u>\$ 159,185</u>

Net assets are released from donor restrictions by the Organization incurring costs or expenses satisfying the restricted purposes or by the occurrence of events and passage of time as specified by the donors.

Net assets were released from donor restrictions during the year ended September 30, 2019 for the following purposes:

Purpose of restriction:	
Healthy Families Florida	\$ 1,675,950
Child First	875,598
Behavioral Health Services	947,797
Targeted Outreach for Pregnant Women	425,811
Bridges to Success	397,951
Kin Support Project	260,691
Other	<u>4,427</u>
Total net assets released from restrictions	<u>\$ 4,588,225</u>

Note 9 – Endowment

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

Funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted and Board designated endowments may fall below the level that the donor or Board requires the Organization to retain as a fund of perpetual duration. There were no such funds with deficiencies as of September 30, 2019.

Return objectives and risk parameters

The Community Foundation has investment and spending guidelines for endowment assets that attempt to provide a predictable stream of funding to specified programs supported by its endowment while seeking to maintain purchasing power of the assets.

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

Note 9 – Endowment, Continued

Return objectives and risk parameters, continued

Under these guidelines, the assets are invested in a manner that is intended to produce results that exceed the price and yield results of multiple benchmarks based on the type of investment, while assuming a moderate level of investment risk.

Strategies employed to achieve objectives

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

Changes in endowment net assets for the year ended September 30, 2019 are presented as follows:

	Total
Endowment net assets, October 1, 2018	\$ 371,536
Activities during the year ended September 30, 2019:	
Contributions	192,256
Appropriations for endowment expenditures	(180,945)
Endowment net assets, September 30, 2019	\$ 382,847

Note 10 – Pension Plan

The Organization maintains a defined contribution pension plan that covers effectively all employees. Organization contributions to the Plan for the year ended September 30, 2019 totaled \$135,869.

Note 11 – Contingencies

The Organization receives financial assistance from a local special district and other local governmental agencies in the form of grants. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. Management believes that the liability, if any, for any reimbursement which may arise as the result of audits would not be material.

The Organization is subject to certain risks arising out of the ordinary course of business. It is the Organization's policy to record the expense and associated liability whenever a loss becomes probable and estimable. Management does not believe it has any material loss contingency exposure at September 30, 2019.

Note 12 – Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents. The Organization maintains its cash and cash equivalents in various bank deposit accounts which, at times, may exceed federally insured limits. Cash and cash equivalents did not exceed the FDIC insured limit at September 30, 2019. The Organization has not experienced any losses in such accounts.

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

Note 13 – Subsequent Events

Management evaluated activity of the Organization subsequent to September 30, 2019 through December 16, 2019, the date the combined financial statements were available to be issued, for events that require recognition in the combined financial statements or disclosure in the notes thereto.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of Children's Case Management Organization, Inc. d/b/a Families First of Palm Beach County and Families First of Palm Beach County Foundation, Inc. (combined, the Organization), which comprise the combined statement of financial position as of September 30, 2019, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated December 16, 2019.

Internal Control Over Financial Reporting

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

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

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



Compliance and Other Matters

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

Purpose of this Report

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

Templeton & Company, LLP

West Palm Beach, Florida
December 16, 2019

COMBINING INFORMATION

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

**COMBINING SCHEDULE - STATEMENT OF FINANCIAL POSITION INFORMATION
As of September 30, 2019**

	Children's Case Management Organization, Inc.	Families First of Palm Beach County Foundation, Inc.	Eliminations	Combined Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 201,523	\$ 122,086	\$ -	\$ 323,609
Investments	585,131	326,014	-	911,145
Program funds receivable	443,856	5,000	(38,583)	410,273
Prepaid expenses	<u>62,929</u>	<u>33,483</u>	-	<u>96,412</u>
Total current assets	1,293,439	486,583	(38,583)	1,741,439
Property and equipment, net	<u>81,276</u>	<u>150</u>	-	<u>81,426</u>
Total assets	<u>\$ 1,374,715</u>	<u>\$ 486,733</u>	<u>\$ (38,583)</u>	<u>\$ 1,822,865</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 261,550	\$ 48,061	\$ (38,583)	\$ 271,028
Deferred revenue	<u>-</u>	<u>55,825</u>	-	<u>55,825</u>
Total current liabilities	<u>261,550</u>	<u>103,886</u>	<u>(38,583)</u>	<u>326,853</u>
Net assets:				
Without donor restrictions	1,073,837	262,990	-	1,336,827
With donor restrictions	<u>39,328</u>	<u>119,857</u>	-	<u>159,185</u>
Total net assets	<u>1,113,165</u>	<u>382,847</u>	-	<u>1,496,012</u>
Total liabilities and net assets	<u>\$ 1,374,715</u>	<u>\$ 486,733</u>	<u>\$ (38,583)</u>	<u>\$ 1,822,865</u>

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

**COMBINING SCHEDULE - STATEMENT OF ACTIVITIES INFORMATION
For the Year Ended September 30, 2019**

	Children's Case Management Organization, Inc.	Families First of Palm Beach County Foundation, Inc.	Eliminations	Combined Total
Changes in net assets:				
Revenues and support:				
Government support	\$ 3,845,663	\$ -	\$ -	\$ 3,845,663
Community support	176,234	-	-	176,234
Foundation grants	613,201	-	-	613,201
Other support	85,645	22,492	-	108,137
Fundraising	-	157,380	-	157,380
In-kind revenue	33,918	-	-	33,918
Net investment return	<u>26,487</u>	<u>12,383</u>	-	<u>38,870</u>
Total revenues and support	<u>4,781,148</u>	<u>192,255</u>	-	<u>4,973,403</u>
Expenses:				
Program services:				
Healthy Families Florida	1,822,991	-	-	1,822,991
Child First	753,494	-	-	753,494
Behavioral Health Services	853,681	-	-	853,681
Bridges to Success	347,119	-	-	347,119
Kin Support Project	233,876	-	-	233,876
Targeted Outreach for Pregnant Women	375,263	-	-	375,263
Other program services	9,896	-	-	9,896
Supporting services:				
Management and general	654,909	142,516	-	797,425
Fundraising	<u>80</u>	<u>38,428</u>	-	<u>38,508</u>
Total expenses	<u>5,051,309</u>	<u>180,944</u>	-	<u>5,232,253</u>
Increase (decrease) in net assets	(270,161)	11,311	-	(258,850)
Net assets at beginning of year	<u>1,383,326</u>	<u>371,536</u>	-	<u>1,754,862</u>
Net assets at end of year	<u>\$ 1,113,165</u>	<u>\$ 382,847</u>	<u>\$ -</u>	<u>\$ 1,496,012</u>

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

**COMBINING SCHEDULE - STATEMENT OF CASH FLOWS INFORMATION
For the Year Ended September 30, 2019**

	Children's Case Management Organization, Inc.	Families First of Palm Beach County Foundation, Inc.	Eliminations	Combined Total
Cash flows from operating activities:				
Increase (decrease) in net assets	\$ (270,161)	\$ 11,311	\$ -	\$ (258,850)
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:				
Depreciation	25,171	-	-	25,171
Net realized and unrealized gains	(10,583)	(7,885)	-	(18,468)
Changes in operating assets and liabilities:				
Program funds receivable	122,907	(5,000)	25,487	143,394
Prepaid expenses	69,923	(24,930)	-	44,993
Accounts payable and accrued expenses	37,073	28,428	(25,487)	40,014
Deferred revenue	-	(7,868)	-	(7,868)
Net cash used in operating activities	<u>(25,670)</u>	<u>(5,944)</u>	<u>-</u>	<u>(31,614)</u>
Cash flows from investing activities:				
Proceeds from sale of property and equipment	-	105	-	105
Purchase of investments, net	<u>(8,921)</u>	<u>(77,450)</u>	<u>-</u>	<u>(86,371)</u>
Net cash used in investing activities	<u>(8,921)</u>	<u>(77,345)</u>	<u>-</u>	<u>(86,266)</u>
Decrease in cash and cash equivalents	(34,591)	(83,289)	-	(117,880)
Cash and cash equivalents at beginning of year	<u>236,114</u>	<u>205,375</u>	<u>-</u>	<u>441,489</u>
Cash and cash equivalents at end of year	<u>\$ 201,523</u>	<u>\$ 122,086</u>	<u>\$ -</u>	<u>\$ 323,609</u>