

**BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND**

TALLAHASSEE, FLORIDA

**FINANCIAL STATEMENTS
SEPTEMBER 30, 2023
WITH SUMMARIZED FINANCIAL
INFORMATION FOR THE YEAR
ENDED SEPTEMBER 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Big Bend Homeless Coalition, Inc.
d/b/a Family Promise of the Big Bend

Report on the Financial Statements

Opinion

We have audited the financial statements of Big Bend Homeless Coalition, Inc., d/b/a Family Promise of the Big Bend (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Big Bend Homeless Coalition, Inc., d/b/a Family Promise of the Big Bend (the Coalition), as of September 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Coalition and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the Coalition changed its method of accounting for leases as of October 1, 2022 due to the adoption of Accounting Standards Codification Topic 842, *Leases*.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coalition's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Coalition's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coalition's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Prior Period Financial Statements

The summarized comparative information presented for the year ended September 30, 2022, is derived from the Coalition's financial statements for that year ended, which were audited by other auditors whose report dated March 11, 2025, expressed an unmodified opinion on those financial statements.

Supplementary 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 is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), 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 Schedule of Expenditures of Federal Awards 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 November 27, 2025, on our consideration of the Coalition's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Coalition's internal control over financial reporting and compliance.



LAW, REDD, CRONA & MUNROE, P.A.
Tallahassee, Florida
November 27, 2025

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2023 AND 2022

ASSETS

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 26,409	\$ -
Tenant security deposits	19,955	20,632
Beneficial interest in endowment	4,078	3,891
Grants and contracts receivable	544,235	628,632
Prepaid expenses	83,294	79,480
Total Current Assets	677,971	732,635
PROPERTY AND EQUIPMENT, NET	5,626,649	5,845,965
OPERATING LEASE RIGHT-OF-USE ASSETS	130,910	-
TOTAL ASSETS	\$ 6,435,530	\$ 6,578,600

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 269,664	\$ 421,309
Bank overdraft	-	39,305
Accrued leave	24,698	24,900
Refundable advances	114,360	98,146
Tenant security deposits	28,243	18,202
Current portion of note payable	38,249	36,889
Current portion of operating lease liabilities	84,472	-
Line of credit	50,000	50,000
Total Current Liabilities	609,686	688,751
LONG TERM LIABILITIES		
Long-term portion of operating lease liabilities	37,631	-
Total Liabilities	647,317	688,751
NET ASSETS		
Without donor restrictions:		
Undesignated	92,191	(18,315)
Net investment in property and equipment	5,626,649	5,845,965
Total net assets without donor restrictions	5,718,840	5,827,650
With donor restrictions:		
Purpose restrictions	69,373	62,199
Total Net Assets	5,788,213	5,889,849
TOTAL LIABILITIES AND NET ASSETS	\$ 6,435,530	\$ 6,578,600

The accompanying notes are an integral part of these financial statements.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Without Donor Restrictions	With Donor Restrictions	2023 TOTAL	(See Note 1) 2022 TOTAL
SUPPORT AND REVENUE				
Grants and contracts	\$ 5,363,117	\$ -	\$ 5,363,117	\$ 5,262,208
Rental income	497,741	-	497,741	402,169
Contributions and support	257,619	16,410	274,029	170,507
Investment earnings	1,155	-	1,155	1,465
Other income	109,119	-	109,119	54,073
In-kind revenue	66,008	-	66,008	78,477
Net assets released from restrictions	9,236	(9,236)	-	-
Total Support and Revenue	6,303,995	7,174	6,311,169	5,968,899
EXPENSES				
Program Services				
Supportive services for veterans housing	2,165,971	-	2,165,971	1,605,993
Emergency and temporary housing	1,582,096	-	1,582,096	1,513,140
Permanent housing	2,168,749	-	2,168,749	2,930,878
Total Program Services	5,916,816	-	5,916,816	6,050,011
Supporting Services				
General and Administrative	452,585	-	452,585	271,093
Fundraising	43,404	-	43,404	3,162
Total Supporting Services	495,989	-	495,989	274,255
Total Expenses	6,412,805	-	6,412,805	6,324,266
CHANGE IN NET ASSETS	(108,810)	7,174	(101,636)	(355,367)
NET ASSETS - Beginning of Year	5,827,650	62,199	5,889,849	6,245,216
NET ASSETS - End of Year	\$ 5,718,840	\$ 69,373	\$ 5,788,213	\$ 5,889,849

The accompanying notes are an integral part of these financial statements.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Program Services			Supporting Services		2023 Total Expenses	(See Note 1) 2022 Total Expenses
	Supportive Services for Veterans Housing	Emergency and Temporary Housing	Permanent Housing	General and Administrative	Fundraising		
Building lease expense	\$ 77,026	\$ -	\$ 7,312	\$ -	\$ -	\$ 84,338	\$ 76,253
Client assistance	95	25,292	44	-	-	25,431	5,715
Communications	12,707	15,698	11,324	582	-	40,311	50,055
Depreciation	3,730	135,213	79,594	779	-	219,316	221,457
Direct support	1,084,641	233,037	908,022	387	235	2,226,322	2,227,526
Equipment lease expense	32,059	3,624	4,906	1,931	2,768	45,288	55,455
Food	-	94,093	246	47	10	94,396	73,567
Grants to subrecipients	-	-	453,071	-	-	453,071	450,175
In-kind	-	52,354	13,654	-	-	66,008	78,477
Insurance	60,367	1,440	12,894	15,923	-	90,624	81,498
Interest	-	222	504	8,733	2,507	11,966	6,941
Miscellaneous	5,845	3,791	39,486	7,985	203	57,310	38,165
Operating supplies	14,022	11,899	4,448	10,039	3,133	43,541	27,480
Professional fees	115,348	23,233	81,021	261,321	-	480,923	275,472
Public relations	460	314	473	2,125	9,180	12,552	6,526
Repairs and maintenance	3,170	59,588	119,708	1,051	-	183,517	173,360
Salaries and benefits	742,331	825,505	373,279	140,452	24,573	2,106,140	2,322,283
Taxes	-	-	-	833	-	833	423
Training and conferences	6,223	268	473	292	795	8,051	10,168
Travel and mileage	7,357	246	2,247	105	-	9,955	12,302
Utilities	590	96,279	56,043	-	-	152,912	130,968
Total Expenses	<u>\$ 2,165,971</u>	<u>\$ 1,582,096</u>	<u>\$ 2,168,749</u>	<u>\$ 452,585</u>	<u>\$ 43,404</u>	<u>\$ 6,412,805</u>	<u>\$ 6,324,266</u>

The accompanying notes are an integral part of these financial statements.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (101,636)	\$ (355,367)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	219,316	221,457
Net realized and unrealized gain on beneficial interest in endowment	(187)	(55)
(Increase) decrease in operating assets:		
Grants and contracts receivable	84,397	(156,544)
Prepaid expenses	(3,814)	(26,457)
Operating lease right-of-use assets	79,992	-
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(151,645)	197,759
Accrued leave	(202)	-
Refundable advances	16,214	26,720
Tenant security deposits	10,041	-
Operating lease liabilities	(88,799)	-
Net Cash Provided by (Used in) Operating Activities	63,677	(92,487)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	-	(4,764)
Sale of investments	-	20,043
Sale of certificate of deposit	-	7,662
Net Cash Provided by in Investing Activities	-	22,941
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	88,716	66,400
Principal payments on note payable	(86,679)	(46,297)
Payback/proceeds from bank overdraft	(39,305)	39,305
Proceeds from line of credit	100,000	-
Principal payments on line of credit	(100,000)	-
Net Cash (Used in) Provided by Financing Activities	(37,268)	59,408
Net Change in Cash and Cash Equivalents	26,409	(10,138)
CASH AND CASH EQUIVALENTS - Beginning of Year	-	10,138
CASH AND CASH EQUIVALENTS - End of Year	\$ 26,409	\$ -
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 11,966	\$ 6,941
Prepaid insurance financed with note payable	\$ 88,716	\$ 21,309

The accompanying notes are an integral part of these financial statements.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies and practices of Big Bend Homeless Coalition, Inc. d/b/a Family Promise of the Big Bend (the “Coalition”) which affect significant elements of the accompanying financial statements.

The Coalition was incorporated as a Florida non-profit corporation in 1987. Effective February 12, 2023, the Coalition began using the d/b/a Family Promise of the Big Bend. The Coalition operates nine direct service programs:

HOPE Community: Emergency shelter/temporary housing, case management, and support services for families with minors experiencing homelessness.

Rapid Rehousing: Utility deposits, initial rent payments, and case management for families who are self-sufficient but lack funds to move into an apartment.

Homeless Prevention: Financial assistance to pay past-due rent and/or utilities to prevent households from being evicted and becoming homeless.

Supportive Services for Veterans Housing: Rapid rehousing, prevention, and case management for Veterans.

Home Plate: Permanent supportive housing and leasing assistance for individuals with disabilities who have extensive histories of homelessness.

Home Place at Balkin: Affordable accessible apartments as well as supportive services for individuals with chronically homeless histories and disability.

Home Front: Affordable apartments dedicated to formerly homeless Veterans.

Patrick Avenue Apartments: Eight-unit housing complex offering affordable housing for families. Rents are set based on family income.

Refire Culinary: Culinary training program operated out of HOPE Café, for people with felony convictions.

In its direct service capacity, the Coalition is also responsible for A Place Called Home. A Place Called Home is a Permanent Supportive Housing program (similar to Home Plate) that is operated by a sub-recipient.

Primary funding is received from various grant and/or contract for services agreements.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment — Property and equipment acquired by the Coalition are considered to be owned by the Coalition. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The Federal Government has a reversionary interest in those assets purchased with its funds which have a cost of \$5,000 or more and an estimated useful life of at least one year. The State of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$2,500 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from five to forty years.

Income taxes — The Coalition is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

The Coalition files income tax returns in the U.S. Federal jurisdiction. The Coalition's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Coalition has reviewed and evaluated the relevant technical merits of each of their tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes and determined that there are no uncertain tax positions that would have a material impact on the financial statements.

Cash and cash equivalents — For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits due from banks, and short-term investments with an original maturity of 90 days or less.

Use of estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated absences — It is the Coalition's policy to permit employees to accumulate earned but unused personnel benefits. Personnel benefits are accrued when incurred and reported as a liability to the Coalition.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of accounting — The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect significant receivables, payables and other liabilities. Net assets of the Coalition and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Functional allocation of expenses — The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function and contains certain categories of expenses that are attributable to the program or supporting functions of the Coalition. Other expenses that benefit all functions are allocated based on the percentage share of total expense.

Revenue recognition — A substantial portion of the Coalition’s revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Coalition has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Coalition received cost-reimbursable grants of \$114,360 that have not been recognized as revenue at September 30, 2023, because qualifying expenditures have not yet been incurred.

Grant and contract receivables — Grant and contract receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management’s assessment of the credit history with grantors and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions — All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions that increases that net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Coalition reports the support as net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Coalition reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Coalition reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Leases — The Coalition enters into lease agreements in the normal course of business primarily for office space, equipment, and vehicles. Leases are classified as operating or finance leases at the lease commencement date. This classification dictates whether lease expense is recognized based on an effective interest rate method or on a straight-line basis over the term of the lease. Lease expense for operating leases and short-term leases is recognized on a straight-line basis over the lease term. Right-of-use assets represent the right to use the underlying assets for the lease term and lease liabilities represent the Coalition's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Adopted Accounting Standard — For the year ended September 30, 2023, the Coalition adopted the provisions of Financial Accounting Standards Board (FASB), Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842). ASC 842 supersedes all previous guidance on accounting for leases by lessees and lessors. ASC 842 establishes a single model for lease accounting based on the foundational principle that leases are a right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-of-use lease asset (ROU). The Coalition adopted the requirements of the new guidance as of October 1, 2022 as disclosed in Note 11. No adjustment to net assets at October 1, 2022 was needed as a result of adopting the new guidance.

Reclassifications — Certain prior year line items in the financial statements were reclassified to conform to the current year's presentation. These reclassifications had no impact on previously reported net assets or change in net assets.

NOTE 2 - SIGNIFICANT FUNDING SOURCES

The Coalition received a substantial amount of its funding from the U.S. Department of Housing and Urban Development (22%), the U.S. Department of Veterans Affairs (37%), and the U.S. Department of Treasury (14%). A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Coalition's programs and activities. Amounts due from the U.S. Department of Housing and Urban Development and the U.S. Department of Treasury totaled \$111,770 and \$122,548 respectively, as of September 30, 2023 and is included in grants and contracts receivable.

NOTE 3 - 2022 PRESENTATION

The accompanying financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Coalition's financial statements for the year ended September 30, 2022, from which the summarized information was derived.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 4 - CONCENTRATIONS OF CREDIT RISK

The more significant concentrations of credit risk are as follows:

Demand deposits —The Coalition maintains demand deposits with several financial institutions. The Coalition has no policy requiring collateral to support its demand and time deposits, although accounts at each bank are insured by the Federal Deposit Insurance Corporation up to FDIC limits.

Grant and contract receivables —The Coalition’s receivables are for amounts due under contracts with Federal, State and local agencies. The Coalition has no policy requiring collateral or other security to support its receivables.

Financial instruments—Financial instruments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Credit risk is a consequence of carrying investment positions. Due to the level of risk associated with certain financial instruments, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Financial Position.

NOTE 5 - PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at September 30, 2023:

Land	\$	1,380,404
Building and improvements		6,722,399
Equipment and Furniture		318,461
Vehicles		37,296
		<u>8,458,560</u>
Less: accumulated depreciation		<u>(2,831,911)</u>
Total	\$	<u><u>5,626,649</u></u>

Depreciation expense for the year ended September 30, 2023 was \$219,316.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 6 - BENEFICIAL INTEREST IN ENDOWMENT

During the year ended September 30, 2023, the Coalition had a beneficial interest in an endowment held by The Community Foundation of North Florida, Inc. (“the Foundation”) for the purpose of helping to further and carry out the purpose of the Coalition. As of September 30, 2023, the fair value of the Coalition’s endowment fund excluding third party contributions was \$4,078.

Contractually, the Foundation retains legal ownership of principal amounts contributed. However, because the Coalition names itself as the beneficiary of such contributions, even though the variance power is explicitly stated in the gift instrument to the Foundation, the principal balances and any earnings or losses there on are reported as Beneficial Interest in Endowment on the Statement of Financial Position.

The Fund is subject to the variance power described in Treasury Reg. Sec.1.170A-9(e)(11)(v)(B)(1) of the Internal Revenue Code of 1986, as amended from time to time.

The Foundation Board has the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified Coalitions, if in the sole judgment of the Foundation’s Board of Directors (without the necessity of the approval of any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the north Florida community and other areas served by the corporation.

NOTE 7 - CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally Federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the Coalition expects such amounts, if any, to be immaterial.

The Coalition is party to routine legal proceedings and litigation arising in the ordinary course of business. In the opinion of management, the outcome of such actions will have no material impact on the Coalition’s financial condition.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 8 - FAIR VALUE MEASUREMENTS

The Fair Value Measurements and Disclosures Topic of the FASB Codification defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The Codification requires the use of valuation techniques that are consistent with the market approach, the income approach, and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, the Codification establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

A description of the valuation methodologies used for assets measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below.

Beneficial interest in assets held by Community Foundation of North Florida, Inc. - Assets held by the Foundation are invested in equities and mutual funds that have quoted prices in active markets. The Coalition adjusts its interest in the assets held by the Foundation similar to the equity method of accounting, which results in the asset being carried at fair value. The interest in the assets held by the Foundation is measured using level 3 inputs within the fair value hierarchy. These assets totaled \$4,078 as of September 30, 2023.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 8 - FAIR VALUE MEASUREMENTS (continued)

The following is a schedule of the current year activity of these level 3 financial assets during the year ended September 30, 2023:

	Endowment Fund
Balance, September 30, 2022	\$ 3,891
Net unrealized gains	187
	4,078
Balance, September 30, 2023	\$ 4,078

The following schedule summarizes the investment earnings in the Statement of Activities for the year ended September 30, 2023:

Interest and dividend income	\$ 968
Net realized and unrealized gains	187
	1,155
Total	\$ 1,155

NOTE 9 - NOTE PAYABLE AND CREDIT AGREEMENT

The Coalition finances insurance through a note payable. Note payable consisted of the following as of September 30, 2023:

0.00% note payable to corporation, \$7,742 payable monthly, uncollateralized, through February 2024	\$ 38,249
Less: current portion	(38,249)
	-
Total long-term debt, less current portion	\$ -

The Coalition has a line of credit in the amount of \$150,000 that is secured by all assets of the Coalition. The interest rate is variable and was 9.75% at September 30, 2023. The line of credit was scheduled to mature October 2023, and was extended to January 2025, at which time the line of credit matured. As of September 30, 2023, the balance on the line of credit was \$50,000. In December 2024, the Coalition obtained a new line of credit with a new bank in the amount of \$200,000. The interest rate is variable, and the line of credit is secured by all assets of the Coalition. The line of credit matures February 2026.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10 - IN-KIND SUPPORT

The Coalition receives donations of supplies to help serve clients. The value of this in-kind support is based upon the fair value of the donated items. In-kind revenue from donations of supplies totaled \$66,008 for the year ended September 30, 2023 and is recognized in the Statement of Activities.

NOTE 11 – LEASES

As a result of adopting ASC 842 on October 1, 2022 (first day of the fiscal year ended September 30, 2023) the Coalition recognized operating lease liabilities and operating lease right-to-use assets on its Statement of Financial Position. Operating lease right-to-use assets represent the Coalition's right to use the underlying assets for the lease term and operating lease liabilities represent the Coalition's obligation to make lease payments arising from the lease. Operating lease liabilities and operating lease right-to-use assets are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term. Lease amortization expense is recognized on a straight-line basis over the expected lease term.

As permitted under the transition guidance upon adoption of ASC 842, the Coalition elected the following practical expedients:

- The simplified approach to not recast comparative periods and to apply the new lease standard on a prospective basis beginning in the year of initial adoption;
- The package of practical expedients to not reassess the lease determination, lease classification or initial direct costs for leases commenced prior to adoption;
- The short-term lease recognition exemption whereby lease-related assets and liabilities are not recognized for arrangements with initial lease terms of one year or less.

The Coalition has two lease agreements for office equipment. Lease payments are \$165 and \$219 per month with terms extending through March 2025 and October 2027, respectively.

The Coalition leases office space through December 2024. The lease payments are monthly and total \$6,500.

The Coalition also leases two vehicles. Lease payments for both leases are \$362 each with terms extending through December 2025.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 11 – LEASES (continued)

For the year ended September 30, 2023, operating lease expense was \$91,968 and short-term and variable lease expenses were \$37,658. Total rent expense was \$131,708 for the year ended September 30, 2022, prior to the adoption of ASC 842.

Noncash right of use assets recorded for lease liabilities for the year ended September 30, 2023 are as follows:

- For October 1 adoption of ASC 842 was \$175,884
- In exchange for lease liabilities during the year was \$35,018

The following table summarizes the Coalition’s operating leases, weighted average remaining lease term and weighted average discount rate:

	<u>September 30, 2023</u>
Assets:	
Operating Lease Right-to-Use Assets	
Office Space	\$ 92,290
Office Equipment	11,934
Vehicle Leases	26,686
Total Lease Assets	\$ 130,910
Liabilities:	
Current Operating Lease Liabilities	\$ 84,472
Noncurrent Operating Lease Liabilities	37,631
Total Lease Liabilities	\$ 122,103
Weighted average remaining lease term in years:	1.61
Weighted average discount rate:	8.11%

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 11 – LEASES (continued)

The following table reconciles the future minimum lease payments on an undiscounted cash flow basis to the lease liabilities reported in the balance sheet as of September 30, 2023:

2024	\$	91,295
2025		31,810
2026		4,805
2027		2,633
2028		219
Total Minimum Lease Payments		130,762
Less: Interest		(8,659)
Total Lease Liabilities	\$	122,103

NOTE 12 – LIQUIDITY AND AVAILABILITY OF RESOURCES

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

Cash and cash equivalents	\$	26,409
Grants and contracts receivable		544,235
Less amounts not available to use within one year:		
Purpose restrictions		(69,373)
Financial assets available to meet cash needs for general expenditures	\$	501,271

As part of our liquidity management plan, in the event of an unanticipated liquidity need, the Coalition has \$100,000 available from a \$150,000 line of credit that can be drawn upon, if needed.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at September 30, 2023:

Funding for direct assistance for children at HOPE or infrastructure for children at HOPE	\$	51,590
Funding for direct supplies for participants		3,723
Funding for recreational infrastructure for children at HOPE		8,384
Funding for direct supplies for veteran participants		5,676
Total	\$	69,373

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 14 – RENTAL ACTIVITY

The Coalition leases residential properties to tenants who receive housing assistance from the U.S. Department of Housing and Urban Development (HUD) and the Department of Veterans Affairs (VA). These leases are structured as month-to-month arrangements or short-term agreements, with rental payments determined based on tenant income eligibility criteria set by the respective agencies. Rental income for the year ended September 30, 2023, was \$497,741. The rental payments vary monthly based on changes in tenant income and government subsidy adjustments. The Coalition does not have fixed contractual lease terms beyond month-to-month agreements.

NOTE 15 - MATCHING REQUIREMENTS

The Coalition receives a portion of its support through grants and contracts. Certain grants and contracts require the Coalition to provide specified amounts of matching revenue. Each grant/contract, where applicable, has met all matching requirements. Also, for each contract that ended on or before September 30, 2023, no obligation remains outstanding to the funding source.

NOTE 16 - DEFINED CONTRIBUTION PLAN

The Coalition has a 401(k) Retirement Plan that is available to all employees aged 21 and older with at least one year of service. The plan has no vesting period for participants. Coalition matching and profit-sharing contributions are voluntary. The Coalition made no contributions to the plan during the year ended September 30, 2023.

NOTE 17 – SUBSEQUENT EVENTS

The Coalition has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 27, 2025, the date which the financial statements were available to be issued.

In March 2024, the Coalition obtained a line of credit with a bank for \$1,000,000. The interest rate is variable, and the line of credit is secured by all assets of the Coalition. The line of credit matures February 2026.

SUPPLEMENTAL INFORMATION

**BIG BEND HOMELESS COALITION INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Assistance Listing Number</u>	<u>Contract Number</u>	<u>Expenditures</u>	<u>Pass-Through to Subrecipients</u>
<u>FEDERAL:</u>				
<u>U.S. Department of Housing and Urban Development</u>				
Continuum of Care Program	14.267	FL0077L4H062114	\$ 420,941	\$ 409,307
Continuum of Care Program	14.267	FL0077L4H062215	45,146	43,764
Continuum of Care Program	14.267	FL0302L4H062113	698,017	-
Continuum of Care Program	14.267	FL0302L4H062214	58,763	-
			<u>1,222,867</u>	<u>453,071</u>
Pass-through from City of Tallahassee Community Development Block Grants/Entitlement Grants	14.218	994041	24,400	-
Pass-through from State of Florida Department of Children & Families Pass-through from Big Bend Continuum of Care Emergency Solutions Grant Program	14.231	BPZ12	116,198	-
<u>U.S. Department of Veteran Affairs</u>				
VA Supportive Services for Veteran Families Program	64.033	2014-FL-179-HL	131,349	-
VA Supportive Services for Veteran Families Program	64.033	2014-FL-179-22	914,580	-
VA Supportive Services for Veteran Families Program	64.033	2014-FL-179-23	215,001	-
VA Supportive Services for Veteran Families Program	64.033	2014-FL-179-LT	151,556	-
VA Supportive Services for Veteran Families Program	64.033	2014-FL-179SS	939,980	-
<u>U.S. Department of Treasury</u>				
Pass-through from City of Tallahassee Coronavirus State and Local Fiscal Recovery Funds	21.027	994939	10,656	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	994245	43,960	-
Pass-through from Leon County Coronavirus State and Local Fiscal Recovery Funds	21.027	994939	12,995	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	B-23-116	169,112	-
Coronavirus State and Local Fiscal Recovery Funds	21.027	B-23-028	419,588	-
Pass-through from Big Bend Continuum of Care Coronavirus State and Local Fiscal Recovery Funds	21.027	-	226,868	-
<u>U.S. Department of Agriculture</u>				
Pass-through from State of Florida Department of Health Child Care Food Program	10.558	H-6242	105,394	-
<u>U.S. Department of Homeland Security</u>				
Pass-through from United Way Emergency Food and Shelter National Board Program	97.024	165600-016	56,492	-
TOTAL FEDERAL AWARDS			<u>\$ 4,760,996</u>	<u>\$ 453,071</u>

NOTES:

- (1) The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal programs of the Coalition for the year ended September 30, 2023. All expenditures related to federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the accompanying Schedule. 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).
- (2) The Schedule was prepared on the accrual basis of accounting.
- (3) The Coalition elected not to use the 10% de minimis indirect cost rate.
- (4) There were no federal awards expended in non-cash assistance.

See independent auditor's report.

**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,
Big Bend Homeless Coalition, 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 Big Bend Homeless Coalition, Inc., which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 27, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Big Bend Homeless Coalition, Inc.’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 Big Bend Homeless Coalition, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Big Bend Homeless Coalition, Inc.’s internal control.

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

Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, items 2023-001 and 2023-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Big Bend Homeless Coalition, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Big Bend Homeless Coalition, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Big Bend Homeless Coalition, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Bend Homeless Coalition Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



LAW, REDD, CRONA & MUNROE, P.A.
Tallahassee, Florida
November 27, 2025

**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,
Big Bend Homeless Coalition, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Big Bend Homeless Coalition, Inc.'s (the Coalition) compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Coalition's major federal programs for the year ended September 30, 2023. The Coalition's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Coalition 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, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Coalition and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Coalition's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Coalition's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Coalition's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Coalition's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Coalition's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Coalition's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Coalition's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.



LAW, REDD, CRONA & MUNROE, P.A.
Tallahassee, Florida
November 27, 2025

**BIG BEND HOMELESS COALITION INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None Reported
Type of auditor's report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

	<u>Assistance Listing</u>	
Identification of major programs:	<u>Number</u>	<u>Name of Federal Program</u>
	64.033	VA Supportive Services for Veteran Families Program
	21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

See independent auditor's report.

BIG BEND HOMELESS COALITION, INC.
d/b/a FAMILY PROMISE OF THE BIG BEND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Section II – Financial Statement Findings

2023-001 – Cash Reconciliations

Condition and Criteria: The internal controls of the Coalition have focused primarily on the objective of effectiveness and efficiency of operations (i.e., performance and mission goals and safeguarding of resources). However, the system of internal control over the objectives of reliability of financial reporting contains certain deficiencies. A key element of financial reporting is the ability of management to reconcile the bank accounts to prepare the financial statements in accordance with generally accepted accounting principles.

Cause: For the year ended September 30, 2023, bank reconciliations did not reconcile to the general ledger. There were numerous stale checks and incorrect outstanding items included in the reconciliations.

Effect: Financial statements could be materially misstated.

Recommendation: We recommend the differences between the bank reconciliations and the trial balance be investigated and corrected accordingly along with stale dates checks be remitted as unclaimed property to the State of Florida.

2023-002 – Payroll Approvals

Condition and Criteria: Management is responsible for adopting and maintaining a set of internal controls and financial policies that are applicable to the Coalition’s operations. Management is responsible for having payroll and timesheets reviewed by someone independent of their preparation. We noted that timesheets and payroll summaries were not signed off as approved by management.

Cause: No visible approvals to follow the internal control processes over payroll.

Effect: Potential misstatement or errors or irregularities in the financial statements.

Recommendation: We recommend that payroll summaries and timesheets be approved by the proper level of management and that approval be documented accordingly.

Section III – Findings and Questioned Costs – Federal Awards

Federal Programs – None

Section IV – Summary Schedule of Prior Audit Findings

There were two financial statement findings in the prior year, Finding 2022-01 and 2022-02, and these findings are ongoing as of September 30, 2023. See current Finding 2023-001 and 2023-002, respectively, in Section II.



CORRECTIVE ACTION PLAN

Finding 2023-001: Cash Reconciliations

September 30, 2023

RESPONSE AND CORRECTIVE ACTION PLAN:

Family Promise of the Big Bend acknowledges the finding regarding bank reconciliation deficiencies and has implemented the following corrective measures to address this issue:

Monthly Reconciliation Process

- The Financial Coordinator will perform bank reconciliations within 25 days of the end of each month
- All reconciliations will be documented using standardized reconciliation templates
- Bank statements and supporting documentation will be maintained electronically and in hard copy

Review and Verification Procedures

- Each reconciliation will be reviewed for accuracy and completeness
- Outstanding items will be investigated and resolved within 60 days (effective January 2025)
- Stale checks (over 6 months old) will be investigated and reissued or voided as appropriate (effective January 2025)
- Any discrepancies between bank reconciliations and the general ledger will be investigated and corrected immediately

Documentation Requirements

- All adjusting entries will be documented with clear explanations
- Supporting documentation will be maintained for all reconciling items
- A monthly checklist will be utilized to ensure all steps are completed

Monitoring and Oversight

- The Financial Coordinator will prepare a monthly report highlighting any reconciliation issues or concerns
- Regular reviews of the reconciliation process will be conducted to ensure procedures are being followed
- Training will be provided as needed to ensure staff understanding of proper reconciliation procedures

IMPLEMENTATION TIMELINE:

These procedures have been implemented effective February 2024.

RESPONSIBLE PERSONNEL:

Primary: Financial Coordinator

Oversight: Chief Financial Officer

MONITORING PLAN:

The effectiveness of these procedures will be evaluated quarterly to ensure they are achieving the desired results and compliance with generally accepted accounting principles.



CORRECTIVE ACTION PLAN

Finding 2023-002: Timesheet Approval Procedures

September 30, 2023

RESPONSE AND CORRECTIVE ACTION PLAN:

FPBB acknowledges the finding regarding timesheet approval procedures and has implemented the following corrective measures to address this issue:

Timesheet Submission Process

- Employees will record and approve their time in ADP within 72 hours of the end of each work week
- All timesheets will be submitted electronically through the ADP system
- The system will maintain date and timestamp records for all timesheet submissions

Review and Approval Procedures

- Supervisors will review and approve timesheets in ADP within 48 hours of submission
- All approvals will be documented with date and timestamp verification
- Any discrepancies will be resolved prior to payroll processing

Documentation Requirements

- ADP reports showing date and timestamps by day will be maintained for all pay periods prior to January 2024
- A report showing date and timestamps by pay period will be maintained beginning January 2024
- All timesheet modifications will require documentation and supervisor approval

Payroll Processing Controls

- The Director of People Operations will process payroll based only on approved timesheets
- The Chief Financial Officer will review and approve the final payroll via email prior to submission
- Documentation of this approval will be maintained with payroll records

IMPLEMENTATION TIMELINE:

These procedures have been implemented effective March 2024

RESPONSIBLE PERSONNEL:

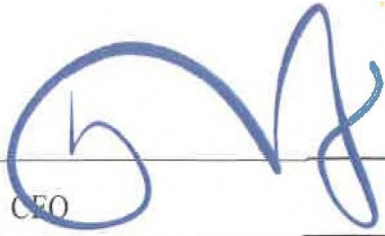
Primary: Director of People Operations

Oversight: Chief Financial Officer

MONITORING PLAN:

The effectiveness of these procedures will be evaluated quarterly to ensure they are achieving the desired results and compliance with generally accepted accounting principles.

Signed: _____



Title: _____

CEO