

THE FAMILY HEALTHCARE FOUNDATION, INC.

Audited Financial Statements

December 31, 2019

JEANETTE EDWARDS, C.P.A., L.L.C.

THE FAMILY HEALTHCARE FOUNDATION, INC.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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Independent Auditor's Report on Basic Financial Statements

Board of Directors
The Family Healthcare Foundation, Inc.

Report on the Financial Statements

I have audited the accompanying financial statements of The Family Healthcare Foundation, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Family Healthcare Foundation, Inc. as of December 31, 2019 and 2018 and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Jeanette Edwards, CPA
Certified Public Accountant
June 15, 2020

THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 and 2018

ASSETS	2019	2018
Current Assets		
Cash	\$ 43,312	\$ 66,513
Grants Receivable	35,526	80,175
Accrued Receivables	118,842	68,501
Total Current Assets	<u>197,680</u>	<u>215,189</u>
TOTAL ASSETS	<u><u>\$ 197,680</u></u>	<u><u>\$ 215,189</u></u>
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 4,300	\$ 8,328
Accrued Expenses/Contracts Payable	33,246	29,089
Accrued Payroll and Leave	43,882	33,509
Deferred Grant Revenue	17,805	69,139
Total Current Liabilities	<u>99,233</u>	<u>140,065</u>
TOTAL LIABILITIES	<u>99,233</u>	<u>140,065</u>
Net Assets		
With donor restrictions	2,632	5,000
Without donor restrictions	95,815	70,124
TOTAL NET ASSETS	<u>98,447</u>	<u>75,124</u>
 TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 197,680</u></u>	<u><u>\$ 215,189</u></u>

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

THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019 and 2018

	Without Donor Restrictions	With Donor Restrictions	Total 2019	Total 2018
SUPPORT AND REVENUE				
Support				
Contributions	\$ 451	\$ -	\$ 451	\$ -
Total Support	<u>451</u>	<u>-</u>	<u>451</u>	<u>-</u>
Revenue				
Grant Income				
USF Grant - MACRA	-	-	-	15,540
USF Grant - Navigator Support #5	-	-	-	343,172
USF Grant - Navigator Support #6	-	87,571	87,571	72,429
USF Grant - Navigator Support #7	-	89,560	89,560	-
USF Grant - CHIP - Connecting Kids to Coverage	-	20,844	20,844	-
AFM Grant - Covering Every Community	-	1,153	1,153	1,007
AFM Grant - Tampa Bay Navigator Project	-	47,621	47,621	-
AFM Grant - Serving Hard to Count Communities	-	1,215	1,215	-
CB Connecting Kids to Care	-	127,640	127,640	135,831
CB Connecting Grant 2019-2020	-	29,973	29,973	-
Florida Healthy Kids Corporation	-	32,000	32,000	40,000
Hillsborough County	-	68,349	68,349	21,122
Foundation for a Healthy St. Petersburg	-	34,970	34,970	10,030
Other Contractual Agreements	7,001	-	7,001	9,183
Program Income	-	-	-	5,000
Total Revenue	<u>7,001</u>	<u>540,896</u>	<u>547,897</u>	<u>653,314</u>
Net assets released from restrictions				
Released by expenditure	543,264	(543,264)	-	-
Total Support and Revenue	<u>550,716</u>	<u>(2,368)</u>	<u>548,348</u>	<u>653,314</u>
EXPENSES				
Program Services	479,153	-	479,153	590,013
Management and General	45,872	-	45,872	43,083
Total Expenses	<u>525,025</u>	<u>-</u>	<u>525,025</u>	<u>633,096</u>
INCREASE (DECREASE) IN NET ASSETS	25,691	(2,368)	23,323	20,218
NET ASSETS AT BEGINNING OF YEAR	<u>70,124</u>	<u>5,000</u>	<u>75,124</u>	<u>54,906</u>
NET ASSETS AT END OF YEAR	<u>\$ 95,815</u>	<u>\$ 2,632</u>	<u>\$ 98,447</u>	<u>\$ 75,124</u>

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THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2019 and 2018

	<u>Program Services</u>			<u>Supporting Services</u>		
	<u>USF Grant</u>					
	<u>To Support</u>	<u>Other</u>	<u>Total</u>	<u>Management</u>	<u>Total</u>	<u>Total</u>
	<u>Navigators</u>	<u>Grants</u>	<u>Program</u>	<u>& General</u>	<u>2019</u>	<u>2018</u>
Personnel:						
Salaries and Wages	\$ 72,689	\$ 224,784	297,473	\$ 12,534	310,007	266,703
Payroll Taxes	5,763	18,061	23,824	964	24,788	20,874
Benefits - Health Ins	2,418	10,585	13,003	42	13,045	8,775
Benefits - Paid Leave	-	-	-	2,018	2,018	4,241
Contract Employees	4,588	7,800	12,388	-	12,388	60,604
Total Personnel	85,458	261,230	346,688	15,558	362,246	361,197
Direct Service Providers	55,000	11,796	66,796	-	66,796	190,503
Professional Fees	7,418	6,484	13,902	14,476	28,378	22,195
Purchased Services	5,000	2,000	7,000	-	7,000	6,500
Subscriptions and Fees	-	59	59	1,446	1,505	-
Postage	-	33	33	2	35	26
Printing and Copying	438	3,082	3,520	615	4,135	4,654
Rent	-	1,100	1,100	976	2,076	1,915
Supplies	1,724	5,062	6,786	651	7,437	3,662
Communications	1,464	4,481	5,945	1,069	7,014	6,803
Insurance	938	1,350	2,288	2,653	4,941	5,449
Premium Assistance Prog	-	2,367	2,367	-	2,367	-
Outreach/Advertising/Marke	15	4,637	4,652	1,658	6,310	5,921
Travel and Meetings	3,215	14,624	17,839	5,866	23,705	23,550
Other Expenses	-	-	-	665	665	676
Website	-	178	178	237	415	45
	<u>\$ 160,670</u>	<u>\$ 318,483</u>	<u>\$ 479,153</u>	<u>\$ 45,872</u>	<u>\$ 525,025</u>	<u>\$ 633,096</u>

See Independent Auditor's Report
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THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019 and 2018

Increase (Decrease) in Cash and Cash Equivalents

Cash flows from operating activities:	2019	2018
Increase (Decrease) in Net Assets	\$ 23,323	\$ 20,218
Adjustment to reconcile increase/(decrease) in net assets to net cash provided by/used in operating activities:		
Change in assets and liabilities:		
- (Increase)/Decrease in grants receivable	44,649	(16,091)
- (Increase)/Decrease in accrued receivables	(50,341)	190,670
- (Increase)/Decrease in other receivables	(150)	
- Increase/(Decrease) in accounts payable and accrued liabilities	(4,028)	(59,408)
- Increase/(Decrease) in accrued expenses/contracts payable	4,157	(155,678)
- Increase/(Decrease) in accrued payroll and leave	10,373	2,841
- Increase/(Decrease) in deferred revenue	(51,334)	51,154
Net cash provided by/used in operating activities	(23,351)	33,706
Cash flows from investing activities:		
Purchase of assets	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities:		
Principle payments on borrowings	-	-
Net cash used in financing activities	-	-
Net increase (decrease) in cash and cash equivalents	(23,351)	33,706
Cash and cash equivalents at beginning of year	66,513	32,807
Cash and cash equivalents at end of year	<u>\$ 43,162</u>	<u>\$ 66,513</u>

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

THE FAMILY HEALTHCARE FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019 and 2018

DIRECT METHOD

Cash flows from operating activities:	<u>2019</u>	<u>2018</u>
Grants and contract payments received	\$ 490,872	\$ 879,047
Contributions received	301	-
Payments for salaries, benefits, payroll taxes, and contract employees	(351,874)	(358,356)
Payments to direct providers and other vendors	(162,650)	(486,985)
Net cash provided by/used in operating activities	<u>(23,351)</u>	<u>33,706</u>
 Net increase (decrease) in cash and cash equivalents	 (23,351)	 33,706
Cash and cash equivalents at beginning of year	<u>66,513</u>	<u>32,807</u>
Cash and cash equivalents at end of year	<u><u>\$ 43,162</u></u>	<u><u>\$ 66,513</u></u>

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THE FAMILY HEALTHCARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 1 - Nature of Business

The Family Healthcare Foundation, Inc. (the Foundation) is a non-profit corporation organized under the laws of the State of Florida on June 19, 1998. The Foundation was formed to provide financial, educational and other community support to ensure that health and social services are made available to children residing in Hillsborough County, Florida and adjacent communities.

The Foundation's goal is to help achieve affordable, quality healthcare access for all. They support a network of providers and community partners in disseminating accurate information, providing assistance to families to enroll in the healthcare coverage options for which they are eligible, and creating referral processes so individuals and families are connected to appropriate healthcare services. They strive to minimize barriers and maximize resources to help achieve a healthier and more vibrant community.

Note 2 - Summary of Significant Accounting Policies

The financial statements of The Family Healthcare Foundation, Inc. have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the Foundation, the accounts are maintained in accordance with the principles of "fund accounting". Financial statement presentation follows the recommendation of the Financial Accounting Standards Board so that all of the net assets, revenues and expenses of the Foundation are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations or those net assets whose donor-imposed restrictions have expired. Voluntary designations of funds by the governing board are considered to be unrestricted.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as "net assets released from restrictions".

Contributions

Generally Accepted Accounting Principles for contributions received, effective for fiscal years beginning after December 15, 1995, requires reporting contributions received as an increase in net assets immediately, even if the donor has restricted their use. As a result, restricted contributions are recorded immediately, either as an increase in temporarily restricted net assets or permanently restricted net assets, depending on the nature of the donor restriction. Restrictions imposed internally by the governing board does not change the character of unrestricted contributions.

Revenue Recognition

Revenues are recognized when the earning process is substantially complete and the goods have been delivered or services performed. Revenue from grants is earned as services are performed and grant funds are expended/earned. Any unexpended/unearned grant funds at the end of the year are deferred and shown in the financial statements as Deferred Revenue.

THE FAMILY HEALTHCARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 2 - Summary of Significant Accounting Policies - Continued

Equipment

Equipment is recorded at cost. Equipment in excess of \$1,000 with an estimated useful life in excess of one year and betterments which materially extended the useful lives of assets are capitalized. Repairs and maintenance are charged to expense when incurred. Depreciation is computed for financial statement purposes on a straight-line basis over the estimated useful lives of the related assets.

Income Taxes

The Foundation is a tax-exempt Organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. In addition, the Foundation has been determined by the Internal Revenue Service not to be a private foundation within the meaning of section 509 (a) of the Code. Accordingly, income earned in furtherance of the Foundation's tax-exempt purpose is exempt from federal and state income taxes. No provision for federal or state income taxes has been included in the accompanying financial statements.

Donated Materials and Services

The Foundation reports donations of materials and services at their estimated values as revenues and expenses on the date of receipt. These items are measured at amounts comparable to costs which would be incurred to hire personnel, rent facilities or purchase items to accomplish similar objectives.

Only those services which create or enhance non-financial assets or that require specialized skills, and are provided by individuals possessing those skills, and which would typically need to be purchased if not provided by donation, are recorded in the financial statements.

Allowance for Uncollectible Amounts

No allowance for uncollectible amounts has been provided since management considers all accounts receivable on the balance sheet date to be collectable. It is the policy of the Foundation to write off doubtful accounts directly to expense when determined to be uncollectible.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and money market funds. Cash equivalents is considered to be all highly liquid debt instruments with original maturities of three months 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.

Functional Allocation of Expenses

The costs of providing the various program and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited based on direct usage or management's estimate of the benefit derived by each activity.

THE FAMILY HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Note 3 - Commitments and Contingencies

The Foundation has participated in various grant programs. Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although that is a possibility, management deems the contingency remote, since by accepting the grants and their terms, management and the board of directors have accommodated the objectives of the Foundation to the provisions of the grants. Any liability for reimbursement which may arise as the result of these conditions is not believed to be material.

Note 4 - Subsequent Events

Management has evaluated subsequent events through June 15, 2020 the date which the financial statements were available for issue and has concluded that there are no subsequent events which would require disclosure.