

**EARLY LEARNING COALITION OF FLORIDA'S
GATEWAY, INC.**

FINANCIAL STATEMENTS

For the Year Ended June 30, 2017
(With Summarized Financial Information for
the Year Ended June 30, 2016)

**EARLY LEARNING COALITION OF FLORIDA'S
GATEWAY, INC.**

BOARD MEMBERS

June 30, 2017

Connie Anderson	Chair
Pamela Carswell	Vice Chair
Mantha Young	Treasurer
John Burns	Secretary
Lori Walker	Member
Annette Daniels	Member
Carol Milton	Member
Terri Boyette	Member
Mark Lander	Member
Diane Head	Member
Brandon Fernald	Member
Melanie Howard	Member
Dr. Jimbo Haley	Member
Trevor Hickman	Member
Esther Bass	Member
David Campbell	Member
Michele Ward	Member
Chris Bond	Member
Kerry Waldron	Ex-officio, non-voting
Betty Linton	Ex-officio, non-voting
Stephen Clark	Ex-officio, non-voting
Stacey Rimes	Ex-officio, non-voting
Yvette Hooper	Ex-officio, non-voting
Lashone T. Surrency	Executive Director
Steven Harris	Finance Director

**EARLY LEARNING COALITION OF FLORIDA'S
GATEWAY, INC.**

FINANCIAL STATEMENTS

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(With Summarized Financial Information for the Year
Ended June 30, 2016)

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Early Learning Coalition of Florida's Gateway, Inc.
Lake City, Florida

Report on the Financial Statements

I have audited the accompanying financial statements of the Early Learning Coalition of Florida's Gateway, Inc., a non-profit organization, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

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 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 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 Early Learning Coalition of Florida's Gateway, Inc., as of June 30, 2017, and

the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

I have previously audited the Early Learning Coalition of Florida's Gateway, Inc.'s 2016 financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated January 12, 2017. In my opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

My 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 and State Financial Assistance as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.650 *Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule indicated above 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*, I have also issued my report dated January 5, 2018, on my consideration of the Early Learning Coalition of Florida's Gateway, Inc.'s, internal control over financial reporting and my 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 my 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 Early Learning Coalition of Florida's Gateway, Inc.'s internal control over financial reporting and compliance.



Kenneth M. Daniels
Certified Public Accountant
January 5, 2018

FINANCIAL STATEMENTS

EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2017

(With Summarized Financial Information as of June 30, 2016)

Assets

	<u>2017</u>	<u>2016</u>
Current assets		
Cash	\$ 27,766	\$ 498,590
Due from State of Florida	<u>327,050</u>	<u>311,424</u>
Total current assets	<u>354,816</u>	<u>810,014</u>
Fixed assets		
Computer equipment and software	116,789	91,009
Office equipment and furniture	6,014	33,066
Leasehold improvements	34,075	34,075
Vehicles	<u>84,447</u>	<u>84,447</u>
Total depreciable assets	241,325	242,597
Accumulated depreciation	<u>(179,745)</u>	<u>(189,787)</u>
Total net fixed assets	<u>61,580</u>	<u>52,810</u>
Total assets	<u>\$ 416,396</u>	<u>\$ 862,824</u>

Liabilities and Net Assets

Current liabilities		
Accounts payable	\$ 139,009	\$ 593,918
Accrued salaries	5,138	32,562
Accrued leave	13,369	21,909
Due to State of Florida	1,540	195
Accrued payroll taxes	<u>1,416</u>	<u>4,167</u>
Total current liabilities	<u>160,472</u>	<u>652,751</u>
Net assets		
Unrestricted	<u>255,924</u>	<u>210,073</u>
Total liabilities and net assets	<u>\$ 416,396</u>	<u>\$ 862,824</u>

EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017
(With Summarized Financial Information for the Year Ended June 30, 2016)

Unrestricted Net Assets

Revenues, Gains, and Other Support	Totals	
	<u>2017</u>	<u>2016</u>
School Readiness Funding		
Federal grants	\$ 7,286,102	\$ 6,932,950
State grants	2,561,801	2,487,072
Miscellaneous	<u>966</u>	<u>529</u>
Total revenues, gains, and other support	<u>9,848,869</u>	<u>9,420,551</u>
 Expenses		
Program Services		
School readiness programs		
Non-direct Program Support	256,243	286,548
Eligibility Determination	121,072	153,339
Quality Improvement - infant and toddler	64,325	75,874
Resource and referral	90,376	113,330
Quality services	317,943	268,231
Quality Improvement Inclusion	46,695	45,025
Targeted Assistance to Providers	78,578	105,460
Child Care Information Systems	93,924	70,048
Child Care	<u>8,443,212</u>	<u>8,009,085</u>
Total program services	<u>9,512,368</u>	<u>9,126,940</u>
 Supporting Services		
Management and general		
Voluntary Pre-K	84,487	92,387
School Readiness	<u>206,163</u>	<u>211,222</u>
Total management and general	<u>290,650</u>	<u>303,609</u>
 Total operating expenses	 9,803,018	 9,430,549
 Increase (decrease) in unrestricted net assets	 45,851	 (9,998)
 Net assets at beginning of year	 <u>210,073</u>	 <u>220,071</u>
Net assets at end of year	<u>\$ 255,924</u>	<u>\$ 210,073</u>

EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2017

(With Summarized Financial Information for the Year Ended June 30, 2016)

Expenses	Program Services									Management and General		Totals	
	Nondirect	Eligibility	I & T Quality	Resource	Quality	Quality	Targeted	Child Care	Pre-K/	Voluntary	School	2017	2016
	Support	Determination	Improvement	& Referral	Services	Improvement	Assistance	Info Systems	Child Care	Pre-K	Readiness		
Salaries	\$ 159,182	\$ 71,295	\$ 39,690	\$ 42,945	\$ 69,995	\$ 27,327	\$ 44,123	\$ 49,919	\$ -	\$ 46,945	\$ 116,266	\$ 667,687	\$ 782,073
Payroll taxes	12,165	5,481	3,062	3,303	5,399	2,106	3,405	3,825	-	4,703	8,902	52,351	58,996
Benefits reemployment	127	96	33	55	69	29	52	33	-	60	73	627	3,460
Health insurance	28,415	11,890	4,479	8,001	11,860	2,763	7,217	12,800	-	8,631	16,390	112,446	88,009
Retirement	12,256	5,378	2,957	3,057	5,234	2,200	3,750	3,659	-	3,267	7,853	49,611	38,102
Other benefits	393	306	111	125	280	95	203	96	-	196	195	2,000	1,885
Staff development	1,413	285	465	234	3,013	357	574	354	-	353	893	7,941	6,872
Professional services	680	434	202	210	294	165	223	141	-	1,286	10,093	13,728	12,032
Repairs and maintenance	461	327	117	181	245	107	199	112	-	201	265	2,215	3,811
Direct services	-	-	-	-	-	-	-	-	8,443,212	-	-	8,443,212	8,009,085
Occupancy	18,098	12,684	5,772	6,483	10,325	4,470	7,998	4,613	-	8,926	10,170	89,539	95,283
Postage, freight, and del.	431	464	107	214	222	85	140	54	-	254	194	2,165	2,346
Rentals - office equipment	353	25	232	91	1,341	177	307	2,367	-	210	890	5,993	9,360
Office supplies/expense	7,497	3,418	1,190	1,409	5,415	1,766	1,666	849	-	1,808	4,322	29,340	21,588
Communications	4,765	3,186	1,656	1,612	2,701	1,252	2,126	1,053	-	2,407	2,767	23,525	25,115
Insurance	2,086	1,491	743	776	1,258	519	906	571	-	1,430	3,884	13,664	13,249
Equipment < \$1000	197	100	88	43	444	71	91	11,390	-	268	(350)	12,342	1,273

(Continued)
See notes to financial statements.

EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2017

(With Summarized Financial Information for the Year Ended June 30, 2016)

	Program Services									Management and General		Totals	
	Nondirect Support	Eligibility Determination	I & T Quality Improvement	Resource & Referral	Quality Services	Quality Improvement	Targeted Assistance	Child Care Info Systems	Pre-K/Child Care	Voluntary Pre-K	School Readiness	2017	2016
Expenses continued													
Quality and classroom sup.	\$ -	\$ -	\$ -	\$ -	\$ 25,392	\$ 663	\$ 706	\$ -	\$ -	\$ -	\$ -	\$ 26,761	\$ 11,779
Training materials/space	374	836	754	348	8,971	397	1,497	-	-	305	-	13,482	23,290
Consumer education	80	55	25	19,494	(460)	18	32	21	-	40	44	19,349	32,956
Grants to providers	-	-	-	-	62,089	-	-	-	-	-	-	62,089	36,489
Scholarships/other education	-	-	-	-	53,606	-	-	-	-	-	-	53,606	30,214
Wage incentives	-	-	-	-	39,775	-	-	-	-	-	-	39,775	44,425
Travel and training	3,800	1,364	1,388	817	8,277	1,136	1,743	914	-	1,492	3,171	24,102	27,286
Bank fees	81	49	32	24	45	24	38	14	-	38	860	1,205	1,418
Application software licenses	708	482	219	238	415	170	321	333	-	386	370	3,642	19,048
Web service/hosting	785	488	264	242	448	213	354	322	-	385	477	3,978	1,508
Other employee expenses	876	439	312	220	587	267	452	197	-	392	597	4,339	937
Dues and subscriptions	980	478	409	245	681	304	436	286	-	484	796	5,099	5,246
Taxes, licenses, fees	40	21	18	9	22	14	19	1	-	20	31	195	2,066
Miscellaneous/other	-	-	-	-	-	-	-	-	-	-	-	-	1,042
Depreciation	-	-	-	-	-	-	-	-	-	-	17,010	17,010	20,307
Total expenses	<u>\$ 256,243</u>	<u>\$ 121,072</u>	<u>\$ 64,325</u>	<u>\$ 90,376</u>	<u>\$ 317,943</u>	<u>\$ 46,695</u>	<u>\$ 78,578</u>	<u>\$ 93,924</u>	<u>\$ 8,443,212</u>	<u>\$ 84,487</u>	<u>\$ 206,163</u>	<u>\$ 9,803,018</u>	<u>\$ 9,430,549</u>

EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2017
(With Summarized Financial Information for the Year Ended June 30, 2016)

	<u>Totals</u>	
	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Cash received from federal and state grants	\$ 9,832,277	\$ 9,532,913
Cash received from contributions and miscellaneous	966	529
Cash paid to employees	(703,651)	(774,158)
Cash paid for employee taxes and benefits	(219,786)	(196,719)
Cash paid for supplies	(456,729)	(421,748)
Cash paid for childcare	<u>(8,898,121)</u>	<u>(7,948,048)</u>
Net cash provided (used) by operating activities	<u>(445,044)</u>	<u>192,769</u>
 Cash flows from investing activities		
Payments for equipment	<u>(25,780)</u>	<u>-</u>
 Cash - beginning	<u>498,590</u>	<u>305,821</u>
Cash - ending	<u>\$ 27,766</u>	<u>\$ 498,590</u>
 Reconciliation of increase (decrease) in net assets to net cash provided (used) by operating activities		
 Increase (decrease) in net assets	<u>\$ 45,851</u>	<u>\$ (9,998)</u>
 Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities		
Depreciation	17,010	20,307
Decrease (increase) in operating assets		
Grant funds receivable	(15,626)	112,891
Increase (decrease) in operating liabilities		
Accounts payable	(454,909)	61,037
Accrued salaries	(27,424)	6,911
Accrued payroll taxes	(2,751)	605
Accrued leave	(8,540)	1,004
Due to the State	<u>1,345</u>	<u>12</u>
Total adjustments	<u>(490,895)</u>	<u>202,767</u>
Net cash provided (used) by operating activities	<u>\$ (445,044)</u>	<u>\$ 192,769</u>
 Noncash transactions		
Disposal of equipment	<u>\$ 27,052</u>	<u>\$ -</u>

**EARLY LEARNING COALITION OF FLORIDA'S
GATEWAY, INC.**

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose - The Early Learning Coalition of Florida's Gateway, Inc. (Coalition), is a nonprofit corporation organized on May 2, 2000, for the purpose of providing opportunities for at risk, birth to kindergarten children and enhancing their chances for educational success. The Coalition was specifically formed to implement the provisions of the "Florida School Readiness Act" in the counties of Columbia, Hamilton, Lafayette, Suwannee, and Union.

The Organization is governed by a voluntary board of directors selected from the five-county area.

The Organization is primarily funded by grant contracts with the State of Florida Office of Early Learning, which includes State and Federal grant funding for childcare and school readiness programs. The Organization primarily provides its school readiness services through contractual arrangements with area childcare providers and school boards.

Revenues supporting the Organization are primarily federal and state grants, contractual services, and contributions.

Basis of Accounting - The Coalition follows standards of accounting and financial reporting prescribed for voluntary health and welfare agencies. It uses the accrual basis of accounting, which recognizes revenues when earned and expenses as incurred. Federal, state, and local government and other public grants are recorded as support when performance occurs under the terms of the grant agreement.

The costs of providing the various programs and other activities have been detailed in the Statement of Functional Expenses and summarized on a functional basis in the Statement of Activities. Salaries and other expenses which are associated with a specific program are charged directly to that program. Salaries which benefit more than one program are allocated to the various programs based on employee time spent in each functional area. Other expenses which benefit more than one area are allocated based on the averaged employee time spent in the various cost centers.

Financial Statement Presentation - The financial statement presentation is presented as required by the Section 958, Not for Profit Entities, in the Financial Accounting Standards Board (FASB) Accounting Standards Codification.

Under the Codification, the Early Learning Coalition of Florida's Gateway, Inc., is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, which represents the expendable resources that are available for operations at management's discretion; temporarily restricted net assets, which represents

resources restricted by donors as to purpose or by the passage of time; and permanently restricted net assets, which represents resources whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.

Also in accordance with the above referenced Codification, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

During the year ending June 30, 2017, all net assets were classified as unrestricted.

Promises to Give – Based on FASB Codification 958-605-25, contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporary or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

During the year ending June 30, 2017, all contributions were recorded as unrestricted.

Cash Equivalents - As applicable, cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase. At June 30, 2017, the Organization had no investments, which it considered cash equivalents.

Property and Depreciation - The Organization follows the practice of capitalizing all property and equipment expenditures in excess of \$1,000, at cost, or, if donated, at fair market value. The Organization utilizes straight line depreciation with useful lives ranging from 5-10 years.

Donated property and equipment are valued at estimated fair value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated assets 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 Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

Property and Equipment Acquired by Grants - All property and equipment purchased with funds provided by federal or state funded programs is the property of the federal government or State of Florida. The Coalition uses the property and equipment in its operations and is required to maintain physical control over these assets. The titles to the assets are held by the Organization. Disposition of fixed assets exceeding established amounts requires prior approval by the federal pass-through agency, the State of Florida, Office of Early Learning.

Revenue Recognition - The Organization's primary revenue is derived from annual grants awarded by the State of Florida, Office of Early Learning. These grant revenues, which are susceptible to accrual, are recognized when they become measurable and available. Other revenues, if any, are recorded on the accrual basis of accounting.

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

Unrestricted Support - The Organization annually reports all contributions as unrestricted support. The Organization generally meets any donor imposed restrictions in the same reporting period in which the contribution is received.

Uncertain Tax Positions – The Organization considered FASB Codification 740-10-50-15. As a result, it determined that the primary tax position of the Organization is its filing status as a tax-exempt entity. In addition, the Organization determined that it is more likely than not that its tax positions would be sustained upon examination by the Internal Revenue Service (IRS).

Prior Year Summarized Comparative Information – The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended June 30 of the prior year, from which the summarized information was derived.

NOTE 2. CASH

Cash includes amounts in demand deposits as well as short-term money market investment accounts. Cash in demand deposits is secured by federal depository insurance. There were no restrictions on the cash balances at June 30, 2017.

At June 30, 2017, the total bank balances were \$27,766, all of which was covered by the Federal Deposit Insurance Corporation (FDIC). If amounts exceed the FDIC limit, the remaining balance is insured by the Bureau of Collateral Management, Florida Department of Financial Services.

NOTE 3. DUE FROM STATE OF FLORIDA

Due from the State of Florida, consists of amounts owed to the Coalition for child care services provided prior to June 30, 2017. Management considers the amounts fully collectible.

No provision for uncollectible amounts is provided for in the financial statements. All amounts were collected post year end.

Due from the State of Florida consisted of the following:

Federal grants - School Readiness	\$	305,550
State grants - VPK		<u>21,500</u>
Total	\$	<u>327,050</u>

NOTE 4. FIXED ASSETS AND DEPRECIATION

Depreciation of furniture and fixtures, and machinery and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. In accordance with the

Organization's policy, assets costing less than \$1,000 are generally fully expensed in their year of acquisition.

Depreciation expense for the period ended June 30, 2017, was \$17,010.

A summary of the Organization's fixed assets at June 30, 2017, is as follows:

Fixed asset type	<u>Cost</u>	<u>Life</u>
Computer hardware/software	\$ 116,789	5
Office equipment and furniture	6,014	5
Leasehold improvements	34,075	5-10
Vehicles	84,447	5
Total fixed assets	241,325	
Accumulated depreciation	(179,745)	
Net fixed assets	<u>\$ 61,580</u>	

NOTE 5. RETIREMENT

In 2015, the Organization adopted a Safe Harbor 401(k) Plan. Under the plan, the Organization makes an employer matching contribution of up to six percent of an employee's wages. The individual accounts are one-hundred percent vested and are funded on a per-pay-period basis.

For the year ending June 30, 2017, the Organization incurred \$49,611 in retirement expense.

NOTE 6. INCOME TAXES

The Organization has been granted an exemption from income taxes under Internal Revenue Code, Section 501(c)(3), as a nonprofit corporation. As required by Internal Revenue Service regulations, the Organization annually files a Form 990, "Return of Organization Exempt from Income Tax".

No taxes were owed by the Organization for the year ended June 30, 2017.

NOTE 7. CONTINGENCIES

There is a contingent liability due to the fact that all audits/monitoring's have not been completed for the fiscal year ended June 30, 2017. Under provisions of the funding agreements, any expenditure determined not in compliance with grant regulations would be subject to repayment by the Organization.

The Organization's administration believes that all expenditures were significantly in compliance with grant regulations.

NOTE 8. LEASE COMMITMENT - FACILITIES

The Organization rents administrative offices at 1104 Southwest Main Boulevard in Lake City, Florida, from Tomkins-Brewer Properties, LLC. The lease began in July 2008 and was renewed for an additional five-year period in July 2018 with an option to extend for an additional

five-year period.

The lease agreement calls for monthly rental payments of \$5,940 plus \$75 monthly for water/sewer (total monthly payment \$6,015). The minimum rental payments under these noncancellable leases are as follows:

<u>Fiscal Year Ended</u>		<u>Rents</u>		<u>Utilities</u>		<u>Minimum Lease Payments</u>
June 30, 2018	\$	71,280	\$	900	\$	72,180
June 30, 2019		71,280		900		72,180
June 30, 2020		71,280		900		72,180
June 30, 2021		71,280		900		72,180
June 30, 2022		71,280		900		72,180

If exercised, an additional five-year option calls for monthly payments of \$6,465 plus \$75 monthly for water/sewer (total monthly payment \$6,540).

Facility lease costs incurred for the year ending June 30, 2017, totaled \$72,180.

NOTE 9. LEASE COMMITMENTS - EQUIPMENT

The Organization has an operating lease agreement with for a Lexmark Multifunction printer and hole punch finisher. The lease is for 48 months with monthly rental payments of \$503. Future payments under the lease are:

<u>June 30,</u>		<u>Minimum Lease Payments</u>
2018	\$	6,032
2019		6,032
2020		6,032

Rental expense for the above copier totaled \$6,032, for the year ending June 30, 2017.

The Organization also has an operating lease agreement with Pitney Bowes for a postage meter for a payment of \$213 quarterly. The lease is for four years.

Future payments under the lease are:

<u>June 30,</u>		<u>Minimum Lease Payments</u>
2018	\$	852
2019		852
2020		852

NOTE 10. CONCENTRATION OF CREDIT RISK

Financial instruments which subject the Organization to concentrations of credit risk consist primarily of cash and cash equivalents in a local bank which at times may exceed the FDIC limits. However, because of classification as public funds, any amounts that exceed FDIC coverage are insured through the Bureau of Collateral Management, Division of Treasury, and Department of Financial Services.

The Organization has no policy requiring collateral or other security to support its receivables.

NOTE 11. EXPENSES BY FUNCTION

Expenses by function have been allocated among program and supporting services classifications on the basis of employee time records and on estimates made by the Organization's management.

NOTE 12. CONCENTRATION OF REVENUE SOURCES

Approximately 99% of the Organization's revenues are derived from one state grant contract which must be renewed annually.

NOTE 13. INVENTORIES

It has consistently been the policy of the Organization to record acquisition of goods and supplies as expenditures at the time of purchase. The amount of such inventory on hand at any one time would be a nominal amount and considered to be immaterial.

NOTE 14. DONATED SERVICES

The Organization also receives contributed services from various individuals. Volunteer services are recorded in accordance with FASB Codification 958-605-25-16 if they: 1 create or enhance nonfinancial assets or 2 require specialized skills and are provided by the individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The contributed services provided to the Organization during the year ending June 30, 2017, did not meet the revenue recognition criteria above and were not recorded.

In addition, the fair market value of the unrecorded donated services has not been estimated.

Volunteer services were provided to all programs.

NOTE 15. RELATED PARTY TRANSACTIONS

The composition of the Coalition's Board of Directors includes seven persons (includes voting and nonvoting members) associated with Pre-K/School Readiness providers who received payments from the Organization during the year ended June 30, 2017.

The amounts paid to the providers are as follows:

<u>Board Member</u>	<u>Daycare Provider</u>	<u>Total Expended</u>
T. Boyette	Castle Hill Academy, Inc	\$ 310,346
Y. Hooper *	Columbia County School Board	402,629
B Linton *	Hamilton County School Board	110,211
S. Clark *	Lafayette Co School Board	91,150
D. Campbell *	Suwannee County School District	320,742
M. Ward	Suwannee Valley 4Cs	125,123
S. Rimes *	Union County School Board	219,319

* nonvoting members

The terms of these contracts were substantially the same as for other child care providers.

NOTE 16. SUBSEQUENT EVENTS

Grant Award

On July 1, 2017, the State of Florida Office of Early Learning awarded the Organization the following grants:

Voluntary Prekindergarten Services:

SV028 \$ 2,565,801

OAO28 \$ 6,692

School Readiness Services:

SR028 \$ 7,323,283

PP028 \$ 149,933

Building lease renewal

See Note 8 above.

The Organization's management has evaluated subsequent events through January 5, 2018, the date which the financial statements were available for issuance.

NOTE 17. RECONCILIATION OF FINANCIAL RECORDS TO SCHOOL READINESS DATA AND REPORTING SYSTEM

During the year ending June 30, 2017, a monthly reconciliation of the Organization's financial records to the statewide School Readiness data and reporting system was generally performed in a timely and satisfactory manner. However, see finding 2014-001 at pages 24-25.

COMPLIANCE SECTION

KENNETH M. DANIELS
CERTIFIED PUBLIC ACCOUNTANT

107 2nd Ave S.E.
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of the
Early Learning Coalition of Florida's Gateway, Inc.
Lake City, Florida

I 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 the Early Learning Coalition of Florida's Gateway, Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated January 5, 2018.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Early Learning Coalition of Florida's Gateway, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Early Learning Coalition of Florida's Gateway, Inc.'s internal control. Accordingly, I 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Early Learning Coalition of Florida's Gateway, Inc.'s financial statements are free of material misstatement, I 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 the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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 my 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.



Kenneth M. Daniels
Certified Public Accountant
January 5, 2018

EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Fiscal Year Ended June 30, 2017

	Federal/State CFDA/CSFA Number	Grant/ Contract Number	Contract Period	Contract Period	Grant/ Contract Amount	Expenditures	Passed Through to Subrecipients	Deferred Revenue 6/30/2016
Federal Financial Assistance								
U.S. Department of Health and Human Services passed through Florida's Office of Early Learning								
Temporary Assistance for Needy Families	93.558	SR027	7/1/2016	06/30/17	\$ 2,523,926	\$ 2,523,926	\$ -	\$ -
Childcare and Development Block Grant *	93.575	SR027	7/1/2016	06/30/17	1,281,518	1,281,518	-	-
Childcare and Development Block Grant *	93.575	PP027	7/1/2016	06/30/17	51,410	51,410	-	-
Childcare Mandatory and Matching Funds *	93.596	SR027	7/1/2016	06/30/17	<u>3,393,743</u>	<u>3,393,743</u>	-	-
Total Child Care and Development Fund Cluster					<u>4,726,671</u>	<u>4,726,671</u>	-	-
Social Services Block Grant	93.667	SR027	7/1/2016	06/30/17	<u>35,505</u>	<u>35,505</u>	-	-
Total federal financial assistance					<u>7,286,102</u>	<u>7,286,102</u>	-	-
State Financial Assistance								
Florida's Office of Early Learning								
Voluntary Pre-K Education Program	48.108	SV027	7/1/2016	06/30/17	2,554,978	2,554,978	-	-
Voluntary Pre-K Education Program	48.108	OA027	7/1/2016	06/30/17	<u>6,823</u>	<u>6,823</u>	-	-
Total Voluntary Pre-K Education Program (48.108)					<u>2,561,801</u>	<u>2,561,801</u>	-	-
Total all assistance					<u>\$ 9,847,903</u>	<u>\$ 9,847,903</u>	\$ -	\$ -

* Cluster of programs

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal and state grant/contract activity for the Early Learning Coalition of Florida's Gateway, Inc., under programs of the federal and state governments for the year ended June 30, 2017. 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) and State of Florida, *Rules of the Auditor General* 10.650. Because the Schedule presents only a selected portion of the operations of the Early Learning Coalition of Florida's Gateway, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Early Learning Coalition of Florida's Gateway, Inc.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. When applicable, negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenses in prior years.

Note 3. Indirect Cost Rate

The Early Learning Coalition of Florida's Gateway, Inc., did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650 RULES OF THE
AUDITOR GENERAL**

Independent Auditor's Report

To the Board of Directors of
Early Learning Coalition of Florida's Gateway, Inc.
Lake City, Florida

Report on Compliance for Each Major Federal Program and State Project

I have audited Early Learning Coalition of Florida's Gateway, Inc.'s, compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, and the special audit guidance provided by the Florida Office of Early Learning that could have a direct and material effect on each of Early Learning Coalition of Florida's Gateway, Inc.'s, major federal programs and state projects for the year ended June 30, 2017. The Early Learning Coalition of Florida's Gateway, Inc.'s, major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Early Learning Coalition of Florida's Gateway, Inc.'s, major federal programs and state projects based on my audit of the types of compliance requirements referred to above. I conducted my 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; 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); and Chapter 10.650, *Rules of the Auditor General*. Those standards, the Uniform Guidance, Chapter 10.650, *Rules of the Auditor General* and the special audit guidance provided by the Florida Office of

Early Learning require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program or State project occurred. An audit includes examining, on a test basis, evidence about Early Learning Coalition of Florida's Gateway Inc.'s, compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major Federal program and State project. However, my audit does not provide a legal determination of the Early Learning Coalition of Florida's Gateway, Inc.'s, compliance.

Opinion on Each Major Federal Program and State Project

In my opinion, the Early Learning Coalition of Florida's Gateway, Inc., 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 and State projects for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of Early Learning Coalition of Florida's Gateway, Inc., is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Early Learning Coalition of Florida's Gateway, Inc.'s, internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program or State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with the Uniform Guidance, Chapter 10.650 *Rules of the Auditor General*, and the special audit guidance provided by the Florida Office of Early Learning but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Early Learning Coalition of Florida's Gateway, Inc.'s, internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, Chapter 10.650, *Rules of the Auditor General*, and the special audit guidance provided by the Florida Office of Early Learning. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Kenneth M. Daniels". The signature is written in a cursive style with a large initial "K" and "D".

Kenneth M. Daniels
Certified Public Accountant
Jasper, FL
January 5, 2018

**EARLY LEARNING COALITION OF FLORIDA'S GATEWAY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL PROGRAMS AND STATE PROJECTS**

For the Year Ended June 30, 2017

Summary of Auditor's Results

<u>Financial Statements</u>	
Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No
<u>Federal Awards and State Projects</u>	
Internal control over major programs:	
Major weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Types of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter 10.656?	No
Identification of major programs:	
<u>Federal Program or Cluster</u>	<u>Federal CDEFA No.</u>
U.S. Department of Health and Human Services	
Temporary Assistance for Needy Families	93.558
Childcare and Development Block Grant (Cluster)	93.575
Childcare Mandatory and Matching Funds (Cluster)	93.596

<u>State Project</u>	<u>State CSFA No.</u>
State of Florida, Office of Early Learning Voluntary Pre-K Education Program	48.108
Dollar threshold used to distinguish between Type A and Type B programs – Federal Programs:	\$750,000
Dollar threshold used to distinguish between Type A and Type B programs – State Programs:	\$300,000
Auditee qualified as low-risk pursuant to the Uniform Guidance (not applicable for State projects)	No
Findings – Financial Statements	
Finding Number None	Finding -
Findings and Questioned Costs – Major Federal Programs	
Finding Number None	Finding -
Findings and Questioned Costs – Major State Projects	
Finding Number None	Finding -

Other Issues

Summary Schedule of Prior Year Audit Findings

No Summary Schedule of Prior Audit Findings under 2 CFR section 200.511(a) is required because there were no prior audit findings related to Federal programs or State projects.

Corrective Action Plan

No Corrective Action Plan is required because there were no findings required to be reported under 2 CFR 200.511 or *Rules of the Auditor General* 10.656.

Communications Required by the Office of Early Learning

The Early Learning Coalition of Florida’s Gateway, Inc.,

1. performs a monthly reconciliation of its financial records to the statewide School Readiness data and reporting system,

2. has processes in place to identify and correct errors noted during the monthly reconciliation process.

The Early Learning Coalition of Florida's Gateway, Inc., financial records and the EFS records were reconciled and are in agreement for the year ending June 30, 2017. However, see finding 2014-001 on pages 24 and 25.

The audit work papers of Kenneth M Daniels CPA PA include documentation that the above tasks were performed. The work papers are available for review by the Office of Early Learning staff at their request.

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CERTIFIED PUBLIC ACCOUNTANT

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MANAGEMENT LETTER

To the Board of Directors of the
Early Learning Coalition of Florida's Gateway, Inc.
Lake City, Florida

Report on the Financial Statements

I have audited the financial statements of the Early Learning Coalition of Florida's Gateway, Inc. as of and for the fiscal year ended June 30, 2017, and have issued my report thereon dated January 5, 2018.

Auditor's Responsibility

I conducted my audit 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; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.650 *Rules of the Auditor General*.

Other Reports and Schedule

I have issued my Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report On Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance in accordance with the Uniform Guidance, and Chapter 10.650, *Rules Of The Auditor General*; and the Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated January 5, 2018, should be considered in conjunction with this management letter.

Other Matter

Section 10.654(1)(e), Rules of the Auditor General, requires that I address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or State project amounts that is less than material but which warrants the attention of those charged with governance. In connection with my audit:

Prior Year Immaterial Audit Findings and Recommendations

2014-001 Reimbursement Requests (fourth year)

Criteria: Requests for reimbursements from the Office of Early Learning should not only be reconciled to the general ledger amounts by function but also to the trial balance expense accounts in total.

Condition: Reimbursement requests are based on provider reimbursements and expense totals for each functional allocation (subject to adjustments for reimbursements, miscellaneous receipts, etc.). A spreadsheet was developed for reconciliation purposes; however, the reimbursed amounts by month were not fully agreed to trial balance expenses.

Context: While no incorrect reimbursements were noted, from the review of the above spreadsheet and my attempt to reconcile the reimbursement requests/draws for the year to the expense total, I noted a variance of \$21,805.

Effect: Possible incorrect amount(s) requested due to lack of reconciliation of reimbursement requests to trial balance amounts.

Cause: The Organization moved from a “spreadsheet” based reimbursement to a general ledger based reimbursement methodology.

Recommendation: I again recommend the following: 1. schedule the requested amounts (slot and non-slot) on a spreadsheet and total for each reimbursement request. Compare the aforementioned amount, on a monthly basis, to the trial balance expense total for the corresponding monthly period. Any variance should be investigated.

All other prior year findings were cleared.

Current Year Immaterial Audit Findings and Recommendations

2017-001 Reconciliation of Wages

Criteria: Wages reported on Forms 941 and RT6 should reconcile to the amounts reported on the Organization’s general ledger.

Condition: From my attempt to agree wages reported on the quarterly wage reports to the general ledger amounts, I noted a variance of \$21,721.

Context: The above variance was noted during the audit of wages and related employee benefits.

Effect: Possible incorrect reporting or classification of wages.

Cause: Failure to agree gross wages and any tax deferred adjustments to the amounts reported on the quarterly payroll tax returns.

Recommendation: Quarterly, reconcile gross wages per the general ledger to the wages reported on the payroll tax returns.

2017-002 Period of Availability

Criteria: Purchases of goods and services should occur within the period of availability.

Condition: From my audit of fixed asset purchases, I noted a purchase of equipment for \$4,700 in which the invoice was dated post year end.

Context: The above invoice was discovered during the vouching of all capital asset additions.

Effect: Expense occurring outside the period of availability: July 1, 2016, to June 30, 2017.

Cause: Purchase of assets after year end and is an isolated incident.

Recommendation: Adhere to period of availability and incur expenses in the correct period.

2017-003 Payroll Allocation

Criteria: Per the Organization's Cost Allocation Plan (CAP), wages should be allocated to the various cost centers based on monthly employee activity within the three departments (admin/finance, provider support, and family support).

Condition: From the audit of payroll, it was noted that the payroll allocation (distribution percentages) did not change from the July 2016 allocation computation. On a percentage basis, the allocation variances ranged from -7.61% to 4.55%.

Context: The above condition was discovered during the testing of randomly selected disbursements (sixty, in which eleven were for payroll).

Effect: Lack of consistency with the Organization's CAP and prior year's protocol.

Cause: No re-computation of payroll allocation percentages for the period August 2016 to June 2017, a systematic problem.

Recommendation: Allocate payroll monthly based on the method indicated in the CAP using the individual employee's Personal Activity Report (PAR).

Purpose of this Letter

This management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and State granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Kenneth M. Daniels, CPA
Certified Public Accountant
January 5, 2018



Early Learning Coalition of Florida's Gateway, Inc.

Serving the counties of: Columbia, Hamilton, Lafayette, Suwannee and Union

1104 SW Main Blvd

Lake City, FL 32025

(386) 752-9770 / Fax: (386) 752-9786

Coalition Board

January 3, 2018

Connie Anderson
Chair

Kenneth M. Daniels, CPA P.A.
107 2nd Ave SE
Jasper, FL 32052

John Burns
Secretary

Dear Mr. Daniels,

Mantia Young
Treasurer

In regard to the audit findings noted in the 2016-2017 Management Letter:

Dr. Pam Casswell
Vice-Chair

2014-001 Reimbursement Requests

Eslier Bazz

The new OEL invoicing spreadsheet provides full reconciliation of the ELC's general ledger and the monthly 5045 amounts paid to providers for both VPK and School Readiness. OEL will not process a reimbursement until everything is properly aligned. This should no longer be a problem going forward.

Chris Bond

Terrl Boyette

2017-001 Reconciliation of wages

Stephen Clark

Our newly hired Finance Director will perform a detailed audit of our payroll system to verify that all employee benefits are being properly classified and posted to the general ledger. A quarterly reconciliation will also be performed to assure consistency.

Amalie Daniels

Brandon Fernald

Dr. Jimbo Haley

2017-002 Period of Availability

Diane Head

We will be sure to post purchases to the proper period based upon invoice date.

Trevor Hickman

Yvette Hooper

2017-003 Payroll Allocation

Melanie Howard

All employee wages and benefits will be placed into a POOL which will then be allocated based upon the bi-weekly personnel activity reports (PAR) as per our cost allocation plan beginning January 1, 2018. This will correct this issue going forward.

Mark Lander

Betty Linton

Carol Milton

Sincerely,

John Olsen

Stacey Rimes

Kerry Waldron

LaShone Surrency
Executive Director

Michele Ward



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OFFICE OF

Early Learning

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