

# **Lutheran Services Florida, Inc. and Subsidiary**

Consolidated Financial and Compliance Report  
June 30, 2022

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**Independent Auditor's Report**

Board of Directors  
Lutheran Services Florida, Inc.

**Report on the Audit of the Financial Statements*****Opinion***

We have audited the consolidated financial statements of Lutheran Services Florida, Inc. and its subsidiary (the Organization), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States (*Government Auditing Standards*). 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be 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 Organization'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 Organization'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.

### **Other Matters**

#### ***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 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 State of Florida Chapter 10.650, *Rules of the Auditor General*, respectively, and other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

***RSM US LLP***

Orlando, Florida  
December 22, 2022

**Lutheran Services Florida, Inc. and Subsidiary**

**Consolidated Statements of Financial Position**  
**June 30, 2022 and 2021**

|  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| Current assets:  |                      |                      |
| Cash and cash equivalents                                    | \$ 18,977,876        | \$ 20,180,768        |
| Accounts receivable, net (Note 3)                            | 40,119,594           | 22,671,764           |
| Current portion of gifted facilities (Note 6)                | 1,799,151            | 1,945,428            |
| Prepaid expenses   | 1,180,183            | 1,189,707            |
| <b>Total current assets</b>                                  | <b>62,076,804</b>    | <b>45,987,667</b>    |
| Investments (Note 2)   | 1,088,691            | 1,246,560            |
| Assets limited as to use (Note 2 and 13)                     | 285,948              | 280,812              |
| Beneficial interest in assets held by others (Notes 2 and 5) | 878,331              | 996,448              |
| Gifted facilities, net of current portion (Note 6)           | 2,436,944            | 2,925,122            |
| Property and equipment, net (Note 4)                         | 5,921,886            | 4,990,412            |
| Other assets   | 322,342              | 256,424              |
| <b>Total assets</b>  | <b>\$ 73,010,946</b> | <b>\$ 56,683,445</b> |
| <b>Liabilities and Net Assets</b>                            |                      |                      |
| Current liabilities:   |                      |                      |
| Accounts payable (Note 7)                                    | \$ 39,029,240        | \$ 18,664,631        |
| Accrued salaries and payroll related expenses                | 7,454,648            | 6,864,645            |
| Other accrued expenses                                       | 1,481,830            | 2,152,541            |
| Refundable advances  | 9,938,677            | 13,410,708           |
| Current portion of capital lease obligations (Note 10)       | 381,711              | 417,619              |
| Current portion of note payable (Note 9)                     | 251,377              | 239,739              |
| <b>Total current liabilities</b>                             | <b>58,537,483</b>    | <b>41,749,883</b>    |
| Capital lease obligations, net of current portion (Note 10)  | 669,826              | 1,051,536            |
| Note payable, net of current portion (Note 9)                | 1,872,343            | 2,123,719            |
| <b>Total liabilities</b>                                     | <b>61,079,652</b>    | <b>44,925,138</b>    |
| Commitments and contingencies (Notes 10, 14, 16, 19 and 21)  |                      |                      |
| Net assets (Notes 11 and 12):                                |                      |                      |
| Without donor restrictions                                   | 3,654,370            | 3,459,296            |
| With donor restrictions                                      | 8,276,924            | 8,299,011            |
| <b>Total net assets</b>                                      | <b>11,931,294</b>    | <b>11,758,307</b>    |
| <b>Total liabilities and net assets</b>                      | <b>\$ 73,010,946</b> | <b>\$ 56,683,445</b> |

See notes to consolidated financial statements.

**Lutheran Services Florida, Inc. and Subsidiary**

**Consolidated Statements of Activities  
Years Ended June 30, 2022 and 2021**

|  | 2022                          |                            |                      | 2021                          |                            |                      |
|--|-------------------------------|----------------------------|----------------------|-------------------------------|----------------------------|----------------------|
|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
| Revenues and support:  |                               |                            |                      |                               |                            |                      |
| Government grants and contracts                                    | \$ 294,846,365                | \$ -                       | \$ 294,846,365       | \$ 257,724,512                | \$ -                       | \$ 257,724,512       |
| In-kind contributions (Note 15)                                    | 2,869,628                     | -                          | 2,869,628            | 3,205,638                     | -                          | 3,205,638            |
| Contributions  | 747,402                       | 3,085,346                  | 3,832,748            | 523,614                       | 1,840,905                  | 2,364,519            |
| Program service fees   | 1,080,468                     | -                          | 1,080,468            | 1,048,301                     | -                          | 1,048,301            |
| Other income, net  | 642,929                       | -                          | 642,929              | 264,586                       | -                          | 264,586              |
| Investment (loss) income, net                                      | (162,551)                     | -                          | (162,551)            | 331,771                       | -                          | 331,771              |
| Change in value of beneficial interest in<br>assets held by others | -                             | (118,117)                  | (118,117)            | (52,320)                      | 220,477                    | 168,157              |
| Net assets released from restrictions (Note 11)                    | 2,989,316                     | (2,989,316)                | -                    | 2,543,482                     | (2,543,482)                | -                    |
| <b>Total revenues and support</b>                                  | <b>303,013,557</b>            | <b>(22,087)</b>            | <b>302,991,470</b>   | <b>265,589,584</b>            | <b>(482,100)</b>           | <b>265,107,484</b>   |
| Expenses:  |                               |                            |                      |                               |                            |                      |
| Program services   | 294,055,776                   | -                          | 294,055,776          | 255,867,497                   | -                          | 255,867,497          |
| Supporting services  | 8,762,707                     | -                          | 8,762,707            | 8,347,602                     | -                          | 8,347,602            |
| <b>Total expenses</b>  | <b>302,818,483</b>            | <b>-</b>                   | <b>302,818,483</b>   | <b>264,215,099</b>            | <b>-</b>                   | <b>264,215,099</b>   |
| <b>Change in net assets</b>  | <b>195,074</b>                | <b>(22,087)</b>            | <b>172,987</b>       | <b>1,374,485</b>              | <b>(482,100)</b>           | <b>892,385</b>       |
| Net assets:  |                               |                            |                      |                               |                            |                      |
| Beginning  | 3,459,296                     | 8,299,011                  | 11,758,307           | 2,084,811                     | 8,781,111                  | 10,865,922           |
| Ending   | <b>\$ 3,654,370</b>           | <b>\$ 8,276,924</b>        | <b>\$ 11,931,294</b> | <b>\$ 3,459,296</b>           | <b>\$ 8,299,011</b>        | <b>\$ 11,758,307</b> |

See notes to consolidated financial statements.

# Lutheran Services Florida, Inc. and Subsidiary

## Consolidated Statement of Functional Expenses Year Ended June 30, 2022

|  | Program Services                           |                      |                           |                       |                     |                        | Supporting Services        |                   |                           |                       |
|--|--|----------------------|---------------------------|-----------------------|---------------------|------------------------|----------------------------|-------------------|---------------------------|-----------------------|
|  | Substance Abuse and Mental Health Services | Children Services    | Youth and Family Services | Resettlement Services | Adult Services      | Total Program Services | General and Administrative | Advancement       | Total Supporting Services | Total Expenses        |
| Salaries   | \$ 3,814,091                               | \$ 22,164,603        | \$ 20,842,342             | \$ 7,564,685          | \$ 853,390          | \$ 55,239,111          | \$ 5,134,887               | \$ 314,875        | \$ 5,449,762              | \$ 60,688,873         |
| Payroll taxes and employee benefits                        | 693,597                                    | 5,848,513            | 4,581,387                 | 1,655,565             | 209,366             | 12,988,428             | 1,045,276                  | 52,858            | 1,098,134                 | 14,086,562            |
| <b>Total salaries and related expenses</b>                 | <b>4,507,688</b>                           | <b>28,013,116</b>    | <b>25,423,729</b>         | <b>9,220,250</b>      | <b>1,062,756</b>    | <b>68,227,539</b>      | <b>6,180,163</b>           | <b>367,733</b>    | <b>6,547,896</b>          | <b>74,775,435</b>     |
| Professional fees and contract services                    | 890,337                                    | 1,573,230            | 312,919                   | 118,122               | 139,305             | 3,033,913              | 626,073                    | 9,460             | 635,533                   | 3,669,446             |
| Subcontractor expenses                                     | 168,817,435                                | 17,583,438           | 852,726                   | 614,735               | -                   | 187,868,334            | -                          | -                 | -                         | 187,868,334           |
| Office expenses and program supplies                       | 358,247                                    | 4,329,281            | 522,680                   | 470,914               | 21,889              | 5,703,011              | 138,224                    | 1,566             | 139,790                   | 5,842,801             |
| Food   | -  | 1,750,574            | 258,856                   | 207,646               | 197                 | 2,217,273              | -                          | 21                | 21                        | 2,217,294             |
| Assistance to individuals                                  | -  | 4,591,112            | 87,107                    | 3,050,985             | 98,813              | 7,828,017              | -                          | -                 | -                         | 7,828,017             |
| Occupancy  | 255,097                                    | 4,200,636            | 1,003,498                 | 1,215,043             | 114,735             | 6,789,009              | 594,033                    | 11,397            | 605,430                   | 7,394,439             |
| Repairs and maintenance                                    | 1,989                                      | 2,638,910            | 497,524                   | 187,514               | 10,074              | 3,336,011              | 55,248                     | 1,710             | 56,958                    | 3,392,969             |
| Equipment costs  | 250,897                                    | 333,710              | 115,849                   | 130,223               | 24,396              | 855,075                | 178,017                    | 15,552            | 193,569                   | 1,048,644             |
| Insurance and taxes  | 35,160                                     | 621,902              | 471,575                   | 131,839               | 18,654              | 1,279,130              | 108,530                    | 1,795             | 110,325                   | 1,389,455             |
| Transportation and travel                                  | 267,477                                    | 895,619              | 996,285                   | 307,840               | 29,543              | 2,496,764              | 157,889                    | 14,460            | 172,349                   | 2,669,113             |
| Postage, printing and publication                          | 52,232                                     | 197,888              | 33,388                    | 47,557                | 11,650              | 342,715                | 44,235                     | 17,251            | 61,486                    | 404,201               |
| Interest   | -  | 77,849               | -                         | -                     | -                   | 77,849                 | 120,345                    | -                 | 120,345                   | 198,194               |
| In-kind expenses (Note 15)                                 | -  | 2,575,700            | 114,816                   | 179,112               | -                   | 2,869,628              | -                          | -                 | -                         | 2,869,628             |
| Other operating expenses                                   | (17,873)                                   | 78,936               | 174,212                   | 23,709                | 36,757              | 295,741                | (20,927)                   | 40,049            | 19,122                    | 314,863               |
| <b>Total expenses before depreciation and amortization</b> | <b>175,418,686</b>                         | <b>69,461,901</b>    | <b>30,865,164</b>         | <b>15,905,489</b>     | <b>1,568,769</b>    | <b>293,220,009</b>     | <b>8,181,830</b>           | <b>480,994</b>    | <b>8,662,824</b>          | <b>301,882,833</b>    |
| Depreciation and amortization                              | 11,445                                     | 669,105              | 55,144                    | 93,911                | 6,162               | 835,767                | 99,883                     | -                 | 99,883                    | 935,650               |
| <b>Total expenses</b>                                      | <b>\$ 175,430,131</b>                      | <b>\$ 70,131,006</b> | <b>\$ 30,920,308</b>      | <b>\$ 15,999,400</b>  | <b>\$ 1,574,931</b> | <b>\$ 294,055,776</b>  | <b>\$ 8,281,713</b>        | <b>\$ 480,994</b> | <b>\$ 8,762,707</b>       | <b>\$ 302,818,483</b> |

See notes to consolidated financial statements.



## Lutheran Services Florida, Inc. and Subsidiary

### Consolidated Statement of Functional Expenses Year Ended June 30, 2021

|  | Program Services                           |                      |                           |                       |                     |                        | Supporting Services        |                   |                           |                       |
|--|--|----------------------|---------------------------|-----------------------|---------------------|------------------------|----------------------------|-------------------|---------------------------|-----------------------|
|  | Substance Abuse and Mental Health Services | Children Services    | Youth and Family Services | Resettlement Services | Adult Services      | Total Program Services | General and Administrative | Advancement       | Total Supporting Services | Total Expenses        |
| Salaries   | \$ 3,429,440                               | \$ 23,085,477        | \$ 17,869,949             | \$ 4,527,753          | \$ 873,740          | \$ 49,786,359          | \$ 4,526,977               | \$ 267,179        | \$ 4,794,156              | \$ 54,580,515         |
| Payroll taxes and employee benefits                        | 674,317                                    | 6,341,295            | 4,098,219                 | 1,043,906             | 228,772             | 12,386,509             | 1,009,981                  | 51,283            | 1,061,264                 | 13,447,773            |
| <b>Total salaries and related expenses</b>                 | <b>4,103,757</b>                           | <b>29,426,772</b>    | <b>21,968,168</b>         | <b>5,571,659</b>      | <b>1,102,512</b>    | <b>62,172,868</b>      | <b>5,536,958</b>           | <b>318,462</b>    | <b>5,855,420</b>          | <b>68,028,288</b>     |
| Professional fees and contract services                    | 530,448                                    | 1,484,587            | 315,272                   | 107,083               | 120,051             | 2,557,441              | 593,113                    | 23,851            | 616,964                   | 3,174,405             |
| Subcontractor expenses                                     | 141,986,538                                | 18,308,894           | 1,435,413                 | 724,743               | -                   | 162,455,588            | -                          | -                 | -                         | 162,455,588           |
| Office expenses and program supplies                       | 107,228                                    | 4,072,204            | 438,318                   | 752,281               | 51,456              | 5,421,487              | 130,315                    | 3,554             | 133,869                   | 5,555,356             |
| Food   | -  | 1,340,710            | 214,276                   | 41,547                | -                   | 1,596,533              | -                          | -                 | -                         | 1,596,533             |
| Assistance to individuals                                  | -  | 4,276,501            | 56,994                    | 451,144               | 498,209             | 5,282,848              | -                          | -                 | -                         | 5,282,848             |
| Occupancy  | 236,173                                    | 4,077,785            | 785,338                   | 1,043,864             | 114,248             | 6,257,408              | 571,183                    | 15,351            | 586,534                   | 6,843,942             |
| Repairs and maintenance                                    | 434  | 1,786,622            | 249,256                   | 167,994               | 6,848               | 2,211,154              | 23,313                     | 797               | 24,110                    | 2,235,264             |
| Equipment costs  | 197,695                                    | 444,812              | 100,082                   | 63,409                | 8,917               | 814,915                | 154,109                    | 25,551            | 179,660                   | 994,575               |
| Insurance and taxes  | 27,521                                     | 568,822              | 338,666                   | 74,852                | 17,596              | 1,027,457              | 92,164                     | 1,307             | 93,471                    | 1,120,928             |
| Transportation and travel                                  | 34,617                                     | 776,465              | 744,454                   | 58,009                | 23,385              | 1,636,930              | 84,399                     | 10,961            | 95,360                    | 1,732,290             |
| Postage, printing and publication                          | 67,086                                     | 78,975               | 49,745                    | 28,449                | 10,865              | 235,120                | 36,101                     | 10,991            | 47,092                    | 282,212               |
| Interest   | -  | 103,227              | -                         | -                     | -                   | 103,227                | 170,546                    | -                 | 170,546                   | 273,773               |
| In-kind expenses (Note 15)                                 | -  | 3,049,669            | 110,366                   | 45,603                | -                   | 3,205,638              | -                          | -                 | -                         | 3,205,638             |
| Other operating expenses                                   | 42,170                                     | 94,507               | 123,601                   | 8,313                 | 29,808              | 298,399                | 414,633                    | 3,642             | 418,275                   | 716,674               |
| <b>Total expenses before depreciation and amortization</b> | <b>147,333,667</b>                         | <b>69,890,552</b>    | <b>26,929,949</b>         | <b>9,138,950</b>      | <b>1,983,895</b>    | <b>255,277,013</b>     | <b>7,806,834</b>           | <b>414,467</b>    | <b>8,221,301</b>          | <b>263,498,314</b>    |
| Depreciation and amortization                              | 9,361                                      | 474,163              | 64,821                    | 35,977                | 6,162               | 590,484                | 126,301                    | -                 | 126,301                   | 716,785               |
| <b>Total expenses</b>                                      | <b>\$ 147,343,028</b>                      | <b>\$ 70,364,715</b> | <b>\$ 26,994,770</b>      | <b>\$ 9,174,927</b>   | <b>\$ 1,990,057</b> | <b>\$ 255,867,497</b>  | <b>\$ 7,933,135</b>        | <b>\$ 414,467</b> | <b>\$ 8,347,602</b>       | <b>\$ 264,215,099</b> |

See notes to consolidated financial statements.

**Lutheran Services Florida, Inc. and Subsidiary**

**Consolidated Statements of Cash Flows**  
**Years Ended June 30, 2022 and 2021**

|   | 2022                 | 2021                 |
|---|----------------------|----------------------|
| Cash flows from operating activities:   |                      |                      |
| Change in net assets  | \$ 172,987           | \$ 892,385           |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |                      |                      |
| Depreciation and amortization   | 935,650              | 716,785              |
| Gain on sale/disposal of property and equipment   | (240,783)            | -                    |
| Net realized and unrealized losses (gains) on investments and assets limited as to use      | 234,500              | (263,958)            |
| Change in value of beneficial interest in assets held by others                             | 118,117              | (168,157)            |
| Changes in operating assets and liabilities:  |                      |                      |
| (Increase) decrease in:   |                      |                      |
| Accounts receivable   | (17,447,830)         | (1,172,649)          |
| Prepaid expenses  | 9,524                | (139,950)            |
| Gifted facilities   | 634,455              | 1,637,548            |
| Other assets  | (65,918)             | (76,106)             |
| Increase (decrease) in:   |                      |                      |
| Accounts payable  | 20,364,609           | (5,489,801)          |
| Accrued salaries and payroll related expenses   | 590,003              | 1,092,802            |
| Other accrued expenses  | (670,711)            | 1,484,110            |
| Refundable advances   | (3,472,031)          | 9,770,744            |
| <b>Net cash provided by operating activities</b>  | <b>1,162,572</b>     | <b>8,283,753</b>     |
| Cash flows from investing activities:   |                      |                      |
| Purchases of investments and assets limited as to use                                       | (339,689)            | (223,659)            |
| Proceeds from the sale of investments   | 257,922              | 146,631              |
| Purchases of property and equipment   | (2,171,685)          | (1,050,964)          |
| Proceeds from the sale of property and equipment  | 545,344              | -                    |
| <b>Net cash used in investing activities</b>  | <b>(1,708,108)</b>   | <b>(1,127,992)</b>   |
| Cash flows from financing activities:   |                      |                      |
| Principal payments on capital lease obligations   | (417,618)            | (391,017)            |
| Repayments of note payable  | (239,738)            | (227,501)            |
| <b>Net cash used in financing activities</b>  | <b>(657,356)</b>     | <b>(618,518)</b>     |
| <b>Net (decrease) increase in cash and cash equivalents</b>                                 | <b>(1,202,892)</b>   | <b>6,537,243</b>     |
| Cash and cash equivalents:  |                      |                      |
| Beginning   | 20,180,768           | 13,643,525           |
| Ending  | <b>\$ 18,977,876</b> | <b>\$ 20,180,768</b> |
| Supplemental disclosure of cash flow information:   |                      |                      |
| Cash paid during the year for interest  | <b>\$ 198,194</b>    | <b>\$ 273,773</b>    |

See notes to consolidated financial statements.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies

**Nature of activities:** Lutheran Services Florida, Inc. (LSF) was organized on July 1, 1982, as a nonprofit organization to provide various social ministries throughout the state of Florida. LSF's programs are funded by federal, state and local governmental grants and contracts, various program service fees, contributions, church grants and other sources.

LSF is the sole member of Lutheran Non-profit Management Services, LLC d/b/a LSF Health Systems (LSF Health), which was organized on August 13, 2010, to govern and advise LSF's managing entity contract over substance abuse and mental health services provided in the northeast region of Florida effective July 1, 2012.

The principal social services provided by Lutheran Services Florida, Inc. and Subsidiary include services to children, troubled youth and their families, refugees, the unemployed, incapacitated adults and victims of disasters through the following programs:

**Substance abuse and mental health services:** Provides substance abuse and mental health services to adults and children in 23 counties in northeast Florida.

**Children services:** Provides preschool care for disadvantaged children in licensed facilities and meals to children in licensed day care homes.

**Youth and family services:** Provides residential, counseling and case management services to teens and their families.

**Resettlement services:** Provides job training, counseling, financial assistance and placement to new entrants to the United States.

**Adult services:** Provides guardianship and care management programs to elderly, mentally incapacitated and disabled persons. Also provides temporary and permanent housing for the homeless and health care treatment to low income HIV-infected individuals.

The following Lutheran judicatories are the founding members of LSF: the Florida-Bahamas Synod of the Evangelical Lutheran Church in America and the Florida-Georgia District of the Lutheran Church-Missouri Synod.

A summary of the Organization's significant accounting policies follows:

**Principles of consolidation:** The consolidated financial statements include the accounts of LSF and LSF Health (collectively, the Organization). All significant intercompany transactions have been eliminated in consolidation.

**Basis of accounting:** The accompanying consolidated financial statements have been prepared on the accrual basis of accounting.

**Basis of presentation:** A nonprofit organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed stipulations but may be designated for specific purposes by action of the board of directors.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Net assets with donor restrictions:** Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization, passage of time, or permanently maintained by the Organization. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

**Use of estimates:** The preparation of consolidated financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and cash equivalents:** Cash and cash equivalents includes all highly liquid fixed income instruments purchased with original maturities of three months or less.

**Concentrations of credit risk:** The Organization's financial instruments that are exposed to concentrations of credit risk include cash and cash equivalents and government grants and contracts and related accounts receivable. Cash and cash equivalents include accounts placed with federally insured financial institutions. Such accounts may at times exceed federally insured limits. The Organization has not experienced any losses on such accounts. The Organization's operating support and revenues includes concentrations primarily from federal and state programs. Changes in operating support and revenues from federal and state programs could significantly impact the Organization, including a reduction in the program services offered by the Organization; however, management does not anticipate any such changes in the near term.

**Accounts receivable:** Accounts receivable under grants and funding contracts and program service fees are due in less than one year. Management believes accounts receivable under grants and funding contracts are fully collectible and has not provided an allowance for doubtful accounts. Accounts receivable for program service fees are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable based on historical experience and any other circumstances which may affect the ability of payors to meet their obligations. It is the Organization's policy to charge off uncollectible accounts when management determines the accounts receivable will not be collected.

**Gifted facilities:** The Organization accounts for gifted facilities as contributions with donor restrictions in the period in which the right to use the asset is acquired, at the fair value of the benefit expected to be received over the expected term of use by the Organization and is released from restrictions when used. A gifted facilities asset is recorded for any future benefit expected to be recognized and is amortized to rent expense as the Organization uses the facilities over the term of the applicable lease.

**Investments and investment (loss) income, net:** Investments are reported at fair value. Investment (loss) income, net, reported in the accompanying consolidated statements of activities, includes realized and unrealized gains and losses and interest and dividend income, net of investment expenses, as increases or decreases in net assets without donor restrictions.

**Assets limited as to use:** Assets limited as to use include investments held by trustees to fund the Supplemental Executive Retirement Plan (SERP) as more fully described in Note 13.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Property and equipment:** Property and equipment are recorded at cost, if purchased or at estimated fair value at the date of receipt if acquired by gift, and those in excess of \$5,000 are capitalized. Depreciation expense related to property and equipment is computed using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the shorter of the remaining lease term or the useful life of the asset. Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property and equipment are sold or otherwise disposed of, the asset account and the related accumulated depreciation account are relieved, and any gain or loss included in operations.

Property acquired with governmental funds is considered to be owned by the Organization while used in the program for which it was purchased or in future authorized programs; however, its disposition as well as the ownership of any proceeds therefrom is subject to applicable regulations.

**Impairment of long-lived assets:** The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate such value may not be recoverable. Recoverability of assets or asset groups to be held and used is measured by a comparison of the carrying amount of an asset or asset group to future net cash flows expected to be generated by the asset or asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or asset group. Assets or asset groups to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment of the Organization's long-lived assets or asset groups have been recognized during the years ended June 30, 2022 and 2021.

**Revenue recognition:** The Organization first determines if a transaction represents an exchange transaction and, if so, accounts for the transaction in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers (Topic 606), which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

The Organization's revenue from contracts with customers consists of program fees. The Organization's contracts have a single performance obligation. The transaction price is the amount of consideration to which the Organization expects to be entitled in exchange for transferring services to the customer. Revenue is recorded based on transaction price, which is a fixed consideration. Performance obligations are satisfied at a point in time, at which point revenue is recognized. Revenue recognized from program fees totaled \$1,080,468 and \$1,048,301 for the years ended June 30, 2022 and 2021, respectively. Receivable balances, net of an allowance for doubtful accounts, were \$851,522, \$580,874, and \$825,847 as of June 30, 2022, June 30, 2021, and July 1, 2020, respectively. These balances are included in accounts receivable, net on the consolidated statements of financial position. There were no deferred revenue balances for program services as of June 30, 2022, June 30, 2021, and July 1, 2020.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### **Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

The Organization performs an evaluation at contract inception focused on whether a performance obligation is satisfied over time or at a point in time. If a performance obligation meets certain specific criteria, the related revenue is recognized over time as the customer consumes the receives the benefits of the Organization's services as they are performed. If certain criteria are not met, the revenue is recognized at a point in time.

The revenue stream noted above does not include significant financing components as the performance obligations are typically satisfied within a year of receipt of payment. Economic downturns can affect the level of revenue or can have a positive impact on cash flow in good economic times.

**Contributions and donor-imposed restrictions:** Unconditional promises to give are recognized as contributions in the period received at their fair value. Conditional contributions or promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions other than cash are recorded at their estimated fair value on the date received.

Unconditional contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions support depending on the existence or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire or are otherwise satisfied in the fiscal year in which the contributions are recognized. When a donor-imposed restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified into net assets without donor restrictions and are reported in the accompanying consolidated statements of activities as net assets released from restrictions.

Donated materials are reflected in the accompanying consolidated financial statements at their estimated fair value at date of receipt. Donated services are recognized and recorded at their estimated fair value only to the extent they create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization records donated goods and services as in-kind support and expenses in the accompanying consolidated statements of activities and consolidated statements of functional expenses.

**Government grants and contracts:** Government grants and contracts are considered exchange transactions if each party receives and sacrifices commensurate value. Funds from these exchange transactions are not considered contributions and are deemed to be earned and reported as revenue over time as performance obligations are met based on when such funds have been expended towards the designated purpose. Funds received in advance and not yet earned are recorded as deferred revenue.

Government grants and contracts not considered exchange transactions are recognized as revenue when the funds are utilized by the Organization to carry out the activity stipulated by the grant or contract thereby satisfying imposed barriers and/or rights of return. The grants and contracts can be terminated by the grantor or refunding can be required under certain circumstances coupled with other performance and/or control barriers. For these reasons, these grant and contract agreements are considered conditional. Accordingly, amounts received, but not recognized as revenue, are classified in the consolidated statements of financial position as refundable advances.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Functional expense allocations:** The costs of providing the various programs and supporting services have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services benefited. Salaries and related payroll expenses are allocated among functional categories based on the estimated proportion of time spent to each function. All other expenses are allocated based on management's estimate of the relative functional activity.

**Income taxes:** The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Statutes. LSF is the sole member of LSF Health, which is considered a disregarded entity for federal and state income tax purposes. Therefore, no provision for income taxes has been included in the accompanying consolidated financial statements.

The Organization follows accounting standards relating to accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying consolidated financial statements. Generally, the Organization is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before June 30, 2019.

**Fair value measurements:** The Organization measures its financial assets and liabilities at fair value using a three-tier hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

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

- Level 1:** Valuation based on unadjusted quoted market prices in active markets for identical assets or liabilities.
- Level 2:** Valuation based on observable quoted prices for similar assets and liabilities in active markets.
- Level 3:** Valuation based on inputs that are unobservable and are supported by little or no market activity, therefore requiring management's best estimate of what market participants would use as fair value.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following methods and assumptions were used to estimate the fair value of financial instruments:

- Level 1:** The Organization's Level 1 investments include money market funds, fixed income and equity securities and real asset funds.
- Level 2:** The Organization's Level 2 investments include the beneficial interest in assets held by others and is valued based on information provided by the Community Foundations (see Note 5) which is primarily derived from or corroborated by observable market data as it relates to the Community Foundations' underlying investments.
- Level 3:** The Organization's Level 3 investments include the beneficial interest in the Zerbst perpetual trust and is valued based on the value of the underlying investments held in the trust.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Recently adopted accounting pronouncements:** Effective July 1, 2021, the Organization retrospectively adopted FASB Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statements of activities, apart from contributions of cash or other financial assets. The ASU also requires enhanced disclosure, including disaggregation of nonfinancial assets recognized by category and qualitative information about each category. The adoption of this ASU resulted in expanded disclosure.

**Recently issued accounting pronouncements:** Certain accounting pronouncements which have been recently issued by the FASB and are relevant to the Organization are as follows:

In February 2016, the FASB issued its new lease accounting guidance in ASU 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: (1) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis and (2) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Lessees will no longer be provided with a source of off-balance sheet financing. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Nonpublic entities should apply the amendments for fiscal years beginning after December 15, 2021. The Organization believes this ASU will have a material impact on the consolidated financial statements.

The FASB has issued certain new or modifications to, or interpretations of, existing accounting guidance in addition to the ASU's described above. The Organization has considered the new pronouncements and does not believe that any other new or modified guidance will have a material impact on the Organization's reported financial position or activities in the near term.

**Subsequent events:** The Organization has evaluated subsequent events through December 22, 2022, the date on which the consolidated financial statements were available to be issued.



# Lutheran Services Florida, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

### Note 2. Fair Value of Financial Instruments

The following table summarizes major categories of the Organization's assets measured at fair value on a recurring basis as of June 30, 2022 and 2021:

|  | 2022         |            |            |              |
|--|--------------|------------|------------|--------------|
|  | Level 1      | Level 2    | Level 3    | Total        |
| Investments:                                       |              |            |            |              |
| Money market funds                                 | \$ 39,210    | \$ -       | \$ -       | \$ 39,210    |
| Equity securities:                                 |              |            |            |              |
| Emerging market funds                              | 247,014      | -          | -          | 247,014      |
| Preferred stock                                    | 22,556       | -          | -          | 22,556       |
| Index funds  | 17,797       | -          | -          | 17,797       |
| Convertible securities                             | 20,788       | -          | -          | 20,788       |
| Large growth funds                                 | 119,273      | -          | -          | 119,273      |
| Large cap funds                                    | 144,862      | -          | -          | 144,862      |
| Fixed income securities:                           |              |            |            |              |
| Index bond funds                                   | 42,457       | -          | -          | 42,457       |
| Intermediate duration bond funds                   | 143,908      | -          | -          | 143,908      |
| Corporate bond funds                               | 120,434      | -          | -          | 120,434      |
| Government bond funds                              | 119,644      | -          | -          | 119,644      |
| Real asset funds                                   | 50,748       | -          | -          | 50,748       |
| Total investments                                  | 1,088,691    | -          | -          | 1,088,691    |
| Assets limited as to use:                          |              |            |            |              |
| Money market funds                                 | 11,281       | -          | -          | 11,281       |
| Equity securities:                                 |              |            |            |              |
| Large blend funds                                  | 81,170       | -          | -          | 81,170       |
| Emerging market funds                              | 65,304       | -          | -          | 65,304       |
| Index funds  | 15,470       | -          | -          | 15,470       |
| Fixed income securities:                           |              |            |            |              |
| Index bond funds                                   | 15,785       | -          | -          | 15,785       |
| Short duration funds                               | 30,716       | -          | -          | 30,716       |
| Global bond funds                                  | 33,935       | -          | -          | 33,935       |
| Intermediate duration bond funds                   | 32,287       | -          | -          | 32,287       |
| Total assets limited as to use                     | 285,948      | -          | -          | 285,948      |
| Beneficial interest in:                            |              |            |            |              |
| Assets held by others                              | -            | 143,707    | -          | 143,707      |
| Perpetual trust                                    | -            | -          | 734,624    | 734,624      |
| Total beneficial interest in assets held by others | -            | 143,707    | 734,624    | 878,331      |
|  | \$ 1,374,639 | \$ 143,707 | \$ 734,624 | \$ 2,252,970 |

# Lutheran Services Florida, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

### Note 2. Fair Value of Financial Instruments (Continued)

|  | 2021         |            |            |              |
|--|--------------|------------|------------|--------------|
|  | Level 1      | Level 2    | Level 3    | Total        |
| Investments:                                       |              |            |            |              |
| Money market funds                                 | \$ 26,866    | \$ -       | \$ -       | \$ 26,866    |
| Equity securities:                                 |              |            |            |              |
| Emerging market funds                              | 72,612       | -          | -          | 72,612       |
| Small/mid cap funds                                | 56,151       | -          | -          | 56,151       |
| Preferred stock                                    | 24,584       | -          | -          | 24,584       |
| Index funds  | 23,820       | -          | -          | 23,820       |
| Convertible securities                             | 25,499       | -          | -          | 25,499       |
| Large growth funds                                 | 157,125      | -          | -          | 157,125      |
| Large cap funds                                    | 159,967      | -          | -          | 159,967      |
| Internationally developed funds                    | 226,688      | -          | -          | 226,688      |
| Fixed income securities:                           |              |            |            |              |
| Index bond funds                                   | 79,361       | -          | -          | 79,361       |
| Intermediate duration bond funds                   | 86,002       | -          | -          | 86,002       |
| Corporate bond funds                               | 112,842      | -          | -          | 112,842      |
| Government bond funds                              | 132,442      | -          | -          | 132,442      |
| Real asset funds                                   | 62,601       | -          | -          | 62,601       |
| Total investments                                  | 1,246,560    | -          | -          | 1,246,560    |
| Assets limited as to use:                          |              |            |            |              |
| Money market funds                                 | 14,020       | -          | -          | 14,020       |
| Equity securities:                                 |              |            |            |              |
| Large blend funds                                  | 80,671       | -          | -          | 80,671       |
| Emerging market funds                              | 64,189       | -          | -          | 64,189       |
| Index funds  | 17,727       | -          | -          | 17,727       |
| Fixed income securities:                           |              |            |            |              |
| Index bond funds                                   | 15,764       | -          | -          | 15,764       |
| Short duration funds                               | 27,359       | -          | -          | 27,359       |
| Global bond funds                                  | 31,348       | -          | -          | 31,348       |
| Intermediate duration bond funds                   | 29,734       | -          | -          | 29,734       |
| Total assets limited as to use                     | 280,812      | -          | -          | 280,812      |
| Beneficial interest in:                            |              |            |            |              |
| Assets held by others                              | -            | 178,377    | -          | 178,377      |
| Perpetual trust                                    | -            | -          | 818,071    | 818,071      |
| Total beneficial interest in assets held by others | -            | 178,377    | 818,071    | 996,448      |
|  | \$ 1,527,372 | \$ 178,377 | \$ 818,071 | \$ 2,523,820 |

The Organization's investments in equity and fixed income securities are not concentrated in a single entity or in a few entities, nor are there any specific industry concentrations.

The board of directors designates a portion of the Organization's cumulative investment return for support of current operations; the remainder is retained to support operations of future years and to offset potential market declines. The fixed amount determined by the board of directors at the beginning of each fiscal year as part of the Organization's budgeting process considers the Organization's long and short-term needs, present and anticipated financial requirements, and expected total return on its investments (see Note 12).

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

#### Note 3. Accounts Receivable

Accounts receivable consists of the following at June 30, 2022 and 2021:

|  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| Managing entity contract   | \$ 26,947,114        | \$ 11,752,101        |
| Other grants and funding sources   | 12,320,958           | 10,338,789           |
| Program fees and other, net of allowance for doubtful accounts<br>of \$183,512—2022 and \$256,388—2021 | 851,522              | 580,874              |
|  | <u>\$ 40,119,594</u> | <u>\$ 22,671,764</u> |

#### Note 4. Property and Equipment

Property and equipment consists of the following at June 30, 2022 and 2021:

|  | Estimated<br>Useful Lives<br>(Years) | 2022                | 2021                |
|--|--------------------------------------|---------------------|---------------------|
| Land   | N/A                                  | \$ 1,848,945        | \$ 1,610,899        |
| Buildings and improvements                     | 35                                   | 3,637,870           | 3,672,521           |
| Vehicles                                       | 3-5                                  | 1,421,263           | 1,077,407           |
| Leasehold improvements                         | 5                                    | 5,697,649           | 4,793,558           |
| Computer equipment and software                | 3-5                                  | 802,108             | 780,139             |
| Furniture and equipment                        | 2-5                                  | 1,596,936           | 1,538,929           |
|  |                                      | 15,004,771          | 13,473,453          |
| Less accumulated depreciation and amortization |                                      | (9,082,885)         | (8,483,041)         |
|  |                                      | <u>\$ 5,921,886</u> | <u>\$ 4,990,412</u> |

Depreciation and amortization expense for the years ended June 30, 2022 and 2021, was \$935,650 and \$716,785, respectively.

#### Note 5. Beneficial Interest in Assets Held by Others

The Organization has established endowments at Community Foundation of Broward, Inc. and Community Foundation of Tampa Bay, Inc. (the Community Foundations) and named itself as the beneficiary. Under the terms of the endowment agreements, the Community Foundation of Broward, Inc. has variance power over the funds and the Community Foundation of Tampa Bay, Inc. does not have variance power over the funds. During 2016, the Organization was notified of its interest as the sole beneficiary of the Charles A. Zerbst Charitable Trust (Zerbst Trust), a perpetual trust established for LSF's benefit and administrated by an independent trustee. Investment income (losses), net of distributions and fees on beneficial interest in assets held by others are recorded as change in value of beneficial interest in assets held by others in the accompanying consolidated statements of activities.

# Lutheran Services Florida, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

### Note 5. Beneficial Interest in Assets Held by Others (Continued)

The fair value of the Organization's beneficial interest in assets held by others is as follows:

|   | 2022              | 2021              |
|---|-------------------|-------------------|
| Beneficial interest in assets held by others: |                   |                   |
| Community Foundation of Broward, Inc.         | \$ 137,080        | \$ 170,739        |
| Community Foundation of Tampa Bay, Inc.       | 6,627             | 7,638             |
|   | <u>143,707</u>    | <u>178,377</u>    |
| Beneficial interest in perpetual trust:       |                   |                   |
| Charles A. Zerbst Trust                       | 734,624           | 818,071           |
|   | <u>\$ 878,331</u> | <u>\$ 996,448</u> |

### Note 6. Gifted Facilities

Gifted facilities represents the present value of the excess of the aggregate fair rental value of building leases over below market rent payments due under lease agreements executed in connection with the Organization's Head Start programs operated in Pinellas, Duval and Palm Beach counties. Gifted facilities are recorded as contributions with donor restrictions and are released from restrictions as rent expense is recorded. Activity of the gifted facilities during the years ended June 30, 2022 and 2021, is summarized as follows:

|   | Pinellas<br>Properties | Duval<br>Properties | Palm Beach<br>Properties | Total               |
|---|------------------------|---------------------|--------------------------|---------------------|
| Balance at June 30, 2020                  | \$ 1,320,827           | \$ 805,895          | \$ 4,381,376             | \$ 6,508,098        |
| Contributions                             | 24,915                 | 344,895             | 84,701                   | 454,511             |
| Rent expense                              | (484,606)              | (320,693)           | (1,286,760)              | (2,092,059)         |
| Balance at June 30, 2021                  | 861,136                | 830,097             | 3,179,317                | 4,870,550           |
| Contributions                             | 1,037,887              | 121,450             | 359,241                  | 1,518,578           |
| Rent expense                              | (516,117)              | (350,161)           | (1,286,755)              | (2,153,033)         |
| Balance at June 30, 2022                  | 1,382,906              | 601,386             | 2,251,803                | 4,236,095           |
| Less current portion of gifted facilities | (282,026)              | (265,972)           | (1,251,153)              | (1,799,151)         |
| Gifted facilities, less current portion   | <u>\$ 1,100,880</u>    | <u>\$ 335,414</u>   | <u>\$ 1,000,650</u>      | <u>\$ 2,436,944</u> |

### Note 7. Accounts Payable

Accounts payable consists of the following at June 30, 2022 and 2021:

|                          | 2022                 | 2021                 |
|--------------------------|----------------------|----------------------|
| Managing entity contract | \$ 34,638,080        | \$ 15,017,685        |
| Trade                    | 4,391,160            | 3,646,946            |
|                          | <u>\$ 39,029,240</u> | <u>\$ 18,664,631</u> |

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 8. Line of Credit

The Organization maintains a revolving line of credit with the Lutheran Church Extension Fund-Missouri Synod, an unaffiliated nonprofit organization, with a maximum availability of \$7,250,000. Interest is payable monthly at the lenders cost of funds, which is the weighted average annual rate of interest plus 3% (4.125% at June 30, 2022). The line of credit is secured by the Organization's accounts receivable balance and requires the Organization to meet certain covenants. At June 30, 2022, the Organization was in compliance with these restrictive covenants. There was no outstanding balance on the line of credit at June 30, 2022 and 2021. The line of credit matures on April 4, 2025.

#### Note 9. Note Payable

The Organization entered into a promissory note with Lutheran Church Extension Fund-Missouri Synod in the amount of \$2,750,000, with a maturity date of September 20, 2029. The promissory note is secured by the Organization's accounts receivable balance and requires the Organization to meet certain covenants. The promissory note calls for monthly principal and interest payments of \$28,902, with a fixed interest rate of 4.75% through September 30, 2024. Beginning on October 1, 2024, the interest rate will be adjusted based on the lenders cost of funds plus 3% through maturity. The monthly principal and interest payment will be adjusted accordingly. The outstanding balance on the note payable at June 30, 2022 and 2021, was \$2,123,720 and \$2,363,458, respectively.

Maturities of the note payable at June 30, 2022, are as follows:

Years ending June 30:

|                      |                          |
|----------------------|--------------------------|
| 2023                 | \$ 251,377               |
| 2024                 | 263,581                  |
| 2025                 | 276,378                  |
| 2026                 | 289,795                  |
| 2027                 | 303,864                  |
| Thereafter           | 738,725                  |
|                      | <hr/> 2,123,720          |
| Less current portion | (251,377)                |
|                      | <hr/> <hr/> \$ 1,872,343 |

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 10. Leases

**Capital leases:** The Organization is obligated under capital lease agreements for certain facilities which expire at various dates through fiscal year 2027. Upon expiration of these leases, title to the properties will automatically transfer to LSF. At June 30, 2022, the gross amount of facilities and related accumulated amortization recorded under capital leases was \$4,005,115 and \$2,953,578, respectively. At June 30, 2021, the gross amount of facilities and related accumulated amortization recorded under capital leases was \$4,005,115 and \$2,535,959, respectively. Amortization of assets held under capital leases is included in depreciation and amortization expense. Future minimum payments under capital lease obligations at June 30, 2022, are as follows:

|   |                   |
|---|-------------------|
| Years ending June 30:                             |                   |
| 2023  | \$ 441,982        |
| 2024  | 173,400           |
| 2025  | 173,400           |
| 2026  | 173,400           |
| 2027  | 173,400           |
| Thereafter  | 86,700            |
| Total minimum capital lease payments              | 1,222,282         |
| Less amount representing interest                 | (170,745)         |
| Present value of capital lease payments           | 1,051,537         |
| Less current portion of capital lease obligations | (381,711)         |
| Capital lease obligations, less current portion   | <u>\$ 669,826</u> |

**Operating leases:** The Organization leases the majority of its office space and office equipment under operating lease agreements which expire at various dates through June 30, 2036. Security deposits related to such leases are included in other assets in the accompanying consolidated statements of financial position. Rental expense on operating leases was approximately \$3,682,000 and \$2,940,000 during the years ended June 30, 2022 and 2021, respectively. The majority of the Organization's operating leases include 30-day cancellation provisions in the event the Organization loses its funding.

Future minimum lease payments under non-cancellable operating leases (with initial or remaining terms in excess of one year) as of June 30, 2022, are as follows:

|                       |                     |
|-----------------------|---------------------|
| Years ending June 30: |                     |
| 2023                  | \$ 2,730,642        |
| 2024                  | 1,663,273           |
| 2025                  | 1,125,927           |
| 2026                  | 883,442             |
| 2027                  | 80,306              |
| Thereafter            | 43,210              |
|                       | <u>\$ 6,526,800</u> |

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

#### Note 11. Net Assets

Net assets without donor restrictions are available for the following purposes as of June 30, 2022 and 2021:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Undesignated                            | \$ 2,565,679        | \$ 2,212,736        |
| Board designated for specified purposes | 1,088,691           | 1,246,560           |
|   | <u>\$ 3,654,370</u> | <u>\$ 3,459,296</u> |

The board of directors of LSF established a board designated endowment to be used to support operations which was \$1,088,691 and \$1,246,560 as of June 30, 2022 and 2021, respectively (see Note 12).

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2022 and 2021:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Restricted for specified purposes:                    |                     |                     |
| Facilities and equipment subject to time restrictions | \$ 3,050,341        | \$ 2,074,908        |
| Gifted facilities                                     | 4,236,095           | 4,870,550           |
| Employee tuition reimbursement                        | -                   | 22,668              |
| Other   | 112,157             | 334,437             |
|   | <u>7,398,593</u>    | <u>7,302,563</u>    |
| Restricted in perpetuity—endowment:                   |                     |                     |
| Broward County program endowment                      | 137,080             | 170,739             |
| Tampa Bay program endowment                           | 6,627               | 7,638               |
|   | <u>143,707</u>      | <u>178,377</u>      |
| Restricted in perpetuity—beneficial interest:         |                     |                     |
| Zerbst Trust  | 734,624             | 818,071             |
|   | <u>\$ 8,276,924</u> | <u>\$ 8,299,011</u> |

Net assets with donor restrictions that were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors for the years ended June 30, 2022 and 2021, are as follows:

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| Facilities and equipment subject to time restrictions | \$ 531,749          | \$ 266,879          |
| Rent expense from gifted facilities                   | 2,153,033           | 2,092,058           |
| Employee tuition reimbursement                        | 22,668              | 6,225               |
| Other   | 281,866             | 178,320             |
|   | <u>\$ 2,989,316</u> | <u>\$ 2,543,482</u> |

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 12. Endowment Funds

LSF has a board designated endowment fund included in net assets without donor restrictions which was established by the board of directors for the purpose of supporting the Organization's programs. LSF also has two donor restricted endowment funds which are included in net assets with donor restrictions and consist of funds established with the Community Foundation of Broward, Inc. and the Community Foundation of Tampa Bay, Inc. The earnings on the donor restricted endowment funds are to be used to support program operations and are recorded as net assets with donor restrictions until appropriated to LSF.

**Interpretation of relevant law:** Effective July 1, 2012, the state of Florida adopted the Uniform Prudent Management of Institutional Funds Act. The board of directors has interpreted the wishes of donors and state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the endowment and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

**Investment return objectives, risk parameters and strategies:** The Organization has adopted investment and spending policies, approved by the board of directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also preserving the purchasing power of those endowments over the long-term. The policies stipulate that the endowments should be managed as a long-term goal designed to maximize the returns without exposure to undue risk, as defined herein. Whereas it is understood that fluctuating rates of return are characteristic of the securities markets, the greatest concern should be long-term appreciation of the assets and consistency of total portfolio returns. Recognizing that short-term market fluctuations may cause variations in the account performance, the Organization will pursue a strategy seeking to exceed a benchmark return of a target portfolio consisting of approximately 35% fixed income securities, 55% equity securities and 10% real assets for the general endowment fund. Earnings only on the endowment funds held the Community Foundations are used to support programs in those counties.

**Spending policy:** The Organization has a policy limiting the spending of its permanent endowment funds to interest income that may be withdrawn for use in the county where the endowments are based.

Endowment net asset composition by type of fund are as follows at June 30, 2022 and 2021:

|                                  | 2022                             |                               |                                  |
|----------------------------------|----------------------------------|-------------------------------|----------------------------------|
|                                  | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | Total<br>Endowment<br>Net Assets |
| Board designated endowment       | \$ 1,088,691                     | \$ -                          | \$ 1,088,691                     |
| Broward County program endowment | -                                | 137,080                       | 137,080                          |
| Tampa Bay program endowment      | -                                | 6,627                         | 6,627                            |
|                                  | <u>\$ 1,088,691</u>              | <u>\$ 143,707</u>             | <u>\$ 1,232,398</u>              |



# Lutheran Services Florida, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

### Note 12. Endowment Funds (Continued)

|                                  | 2021                             |                               |                                  |
|----------------------------------|----------------------------------|-------------------------------|----------------------------------|
|                                  | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | Total<br>Endowment<br>Net Assets |
| Board designated endowment       | \$ 1,246,560                     | \$ -                          | \$ 1,246,560                     |
| Broward County program endowment | -                                | 170,739                       | 170,739                          |
| Tampa Bay program endowment      | -                                | 7,638                         | 7,638                            |
|                                  | <u>\$ 1,246,560</u>              | <u>\$ 178,377</u>             | <u>\$ 1,424,937</u>              |

Changes in endowment net assets for the years ended June 30, 2022 and 2021, are as follows:

|                           | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | Total<br>Endowment<br>Net Assets |
|---------------------------|----------------------------------|-------------------------------|----------------------------------|
| Balances at June 30, 2020 | \$ 1,000,392                     | \$ 148,526                    | \$ 1,148,918                     |
| Board designations        | 7,670                            | -                             | 7,670                            |
| Investment income, net    | 238,498                          | 37,078                        | 275,576                          |
| Appropriations            | -                                | (7,227)                       | (7,227)                          |
| Balances at June 30, 2021 | 1,246,560                        | 178,377                       | 1,424,937                        |
| Board designations        | 8,541                            | -                             | 8,541                            |
| Investment loss, net      | (166,410)                        | (27,237)                      | (193,647)                        |
| Appropriations            | -                                | (7,433)                       | (7,433)                          |
| Balances at June 30, 2022 | <u>\$ 1,088,691</u>              | <u>\$ 143,707</u>             | <u>\$ 1,232,398</u>              |

### Note 13. Retirement Plans

The Organization sponsors a 403(b) multiple employer retirement plan (the 403(b) Plan) administered by One America. Under the 403(b) Plan, employees are eligible to participate once they attain the age of 21. The Organization may elect to make matching and non-elective contributions to the 403(b) Plan. Participants' rights to employer contributions vest after three years of service.

The Organization also sponsors a 457(b) multiple employer plan (the 457(b) Plan) administered by One America. Under the 457(b) Plan, eligible employees may participate upon their date of hire. The Organization may elect to contribute matching and non-elective contributions to the 457(b) Plan. Participants' rights to employer contributions vest after one year of service.

Employer contributions to the 403(b) and 457(b) plans for the years ended June 30, 2022 and 2021, were approximately \$1,002,000 and \$1,065,000, respectively.

The Organization also sponsors a 457(f) employee benefit plan or SERP, which provides a key executive (the Participant) deferred compensation benefits outside of the two plans described above. Benefits under the SERP accumulate from annual contributions and earnings thereon. The plan participant's rights to employer contributions vest on February 7, 2023. For the years ended June 30, 2022 and 2021, the Organization incurred expenses under the SERP of approximately \$5,000 and \$95,000, respectively. At June 30, 2022 and 2021, the Organization has \$285,948 and \$280,812, respectively, of assets limited as to use for payment of its obligation under the SERP which is included in accrued salaries and payroll related expenses in the accompanying consolidated statements of financial position.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 14. Contingencies

The Organization routinely enters into grant agreements and contracts with governmental agencies that provide for reimbursement of the eligible direct and indirect costs of providing certain of the Organization's program services. The grants and contracts are subject to audit or review and retroactive adjustment based on a final determination by the grantor of eligible reimbursable expenditures. The effect of such adjustments, if any, cannot be determined at this time and no provision has been made for any such adjustments in the accompanying consolidated financial statements.

The Organization is involved in legal actions arising during the ordinary course of its operations. The potential loss under these claims is not determinable at this time. Management believes any potential loss would be expected to fall within the Organization's insurance policy limits. The only anticipated financial exposure would be payment of the insurance deductible, a nominal amount. In the opinion of management, no material liability exists with respect to these claims.

The Organization sponsors a welfare benefit plan (the Plan) which provides medical and prescription drug benefits to its employees. Under the terms of the Plan, the Organization is responsible and self-insured for the first \$175,000 of individual covered claims and is subject to a maximum annual aggregate stop loss limit which was \$9,084,970 for the year ended June 30, 2022. Health insurance expense is based upon premiums paid to the insurer, estimated total cost of claims to be paid by the Organization that fall within the deductible limits described above, and the administrative costs of the Plan. The Organization outsources administration of claims to a third-party administrator (Meritain). Under the terms of the Meritain agreement, Meritain provides management with an estimate of incurred but unreported claims (IBNR) and the future development of covered claims using an actuarially determined reserve methodology based on current and historical claims development trends, which are recorded in payroll taxes and employee benefits in the accompanying consolidated statements of functional expenses. As of June 30, 2022 and 2021, accrued estimated health insurance expense under the Plan was approximately \$806,000 and \$1,678,000, respectively, and is included in accrued salaries and payroll related expenses in the accompanying consolidated statements of financial position. Estimated health insurance expense was approximately \$6,055,000 and \$6,353,000, respectively, for the years then ended, which is included in payroll taxes and employee benefits in both program services and supporting services in the accompanying consolidated statements of activities. Actual claims expense may differ from these estimates. At June 30, 2022 and 2021, the Organization had approximately \$990,000 and \$1,799,000, respectively, of funds included in cash and cash equivalents to pay outstanding claims.

#### Note 15. In-Kind Contributions

In-kind contributions included in the consolidated statements of activities and functional expenses and the corresponding expenses are as follows:

|                                    | 2022                | 2021                |
|------------------------------------|---------------------|---------------------|
| Professional services              | \$ 402,300          | \$ 444,895          |
| Food, clothing and household items | 2,467,328           | 2,760,743           |
|                                    | <u>\$ 2,869,628</u> | <u>\$ 3,205,638</u> |

No donated food, clothing and household items or professional services were restricted for use. The Organization estimates the fair value of its in-kind contributions in line with FASB Topic 820, Fair Value Measurement. Food, clothing and household items are valued based on the wholesale value that would be received from selling similar products in the United States. Contributed professional services are valued at the estimated fair value based on current rates for similar services. The Organization utilizes donated materials for their mission and does not monetize or sell the goods.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

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#### Note 16. In-Kind Contributions

Donated services for the years ended June 30, 2022 and 2021, with estimated fair values of approximately \$2,881,000 and \$2,031,000, respectively, were not recognized in the accompanying consolidated financial statements because they did not meet the criteria for recognition because they did not require specialized skills and would ordinarily not be purchased if not provided by donation.

#### Note 17. Matching Requirements

The Organization received a substantial portion of its support from various funding sources which required local matches. Management believes these requirements were met through program service fees, local grants and public donations during the years ended June 30, 2022 and 2021.

#### Note 18. Liquidity and Availability of Resources

As of June 30, 2022 and 2021, the following reflects the Organization's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions and board designations, within one year of June 30, 2022 and 2021:

|  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| Financial assets, at year-end  |                      |                      |
| Cash and cash equivalents  | \$ 18,977,876        | \$ 20,180,768        |
| Accounts receivable, net   | 40,119,594           | 22,671,764           |
| Investments  | 1,088,691            | 1,246,560            |
| Gifted facilities  | 4,236,095            | 4,870,550            |
| Less those unavailable for general expenditures within one year, due to:               |                      |                      |
| Contractual or donor-imposed restrictions:   |                      |                      |
| Restricted by donors with purpose and/or time restrictions                             | (3,162,498)          | (2,432,013)          |
| Restricted by donors with use restrictions   | (4,236,095)          | (4,870,550)          |
| Board designations:  |                      |                      |
| Board designated for specified purposes  | (1,088,691)          | (1,246,560)          |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 55,934,972</u> | <u>\$ 40,420,519</u> |

Over 95% of the Organization's annual revenue is comprised of cost reimbursement or pass-through contracts. Therefore, there is little ability to generate surplus revenue and maintain large cash balances. As such, the Organization relies on contract advances and prompt funder reimbursements to maintain liquidity. The Organization also maintains a \$7,250,000 line of credit available to meet cash flow needs if necessary.

## **Lutheran Services Florida, Inc. and Subsidiary**

### **Notes to Consolidated Financial Statements**

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#### **Note 19. Guardianship Program**

In connection with the Organization's guardianship program, the Organization manages funds for individuals who have been declared incapacitated. The Organization is a court-appointed legal guardian for these individuals. Assets managed by the Organization include real property valued in the table below at their fair value on the date the Organization was appointed guardian. Cash and cash equivalents, and investments are included in the table below at current fair value. Income earned on assets managed is applied to each individual's account balance. Assets managed by the Organization are not included in the accompanying consolidated financial statements. The value of assets managed are as follows:

|  | 2022                 | 2021                 |
|--|----------------------|----------------------|
| Cash and cash equivalents                                  | \$ 6,621,235         | \$ 5,762,900         |
| Investments in fixed income and equity securities          | 4,336,933            | 6,854,870            |
| Real property  | 4,119,322            | 2,992,999            |
| Cash surrender value of life insurance and other annuities | 4,099,872            | 4,366,438            |
| Other  | 504,123              | 170,266              |
|  | <u>\$ 19,681,485</u> | <u>\$ 20,147,473</u> |

For the years ended June 30, 2022 and 2021, program service fees earned under the guardianship program were approximately \$644,000 and \$701,000, respectively, and are included in program service fees in the accompanying consolidated statements of activities.

#### **Note 20. Contract with Duval County Staff**

The Organization's Head Start program in Duval County includes certain personnel that are employed by the Organization under a collective bargaining agreement. The collective bargaining agreement is effective through January 31, 2025.

#### **Note 21. Conditional Promises to Give**

The Organization has conditional promises to give from grantors of approximately \$68,559,000 and \$60,850,000 as of June 30, 2022 and 2021, respectively. Future payments are contingent upon the Organization carrying out certain activities (meeting grant-imposed barriers) stipulated by the grant or contract.

#### **Note 22. Paycheck Protection Program**

On August 5, 2020, the Organization received a loan in the amount of \$10,000,000 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Securities Act, provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. Under the terms of the PPP, PPP loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits and other qualifying expenses.

## **Lutheran Services Florida, Inc. and Subsidiary**

### **Notes to Consolidated Financial Statements**

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#### **Note 22. Paycheck Protection Program (Continued)**

As of June 30, 2021, the Organization used \$5,661,348 of the loan proceeds to fund its payroll expenses. The Organization submitted an application to the Small Business Administration (SBA) on July 23, 2021, requesting that these PPP funds received be forgiven. On July 30, 2021, the Organization received notification that the \$5,661,348 was forgiven. The Organization elected to account for the PPP loan as a conditional contribution under ASC Subtopic 958-605. Management believes the revenue recognition criteria under ASC Subtopic 958-605 have been met for \$5,661,348 of the \$10,000,000 PPP loan. As such, this amount has been recognized in government grants and contracts in the accompanying consolidated statements of activities as of June 30, 2021. The remaining principal balance of \$4,338,652 is included in refundable advances in the accompanying consolidated statements of financial position as of June 30, 2021. The remaining principal balance of \$4,338,652 plus accrued interest was repaid by the Organization on August 3, 2021.

The SBA may audit whether the Organization qualified for the PPP loan and met the conditions necessary for forgiveness of the loan for up to six years after it forgave the loan. Therefore, it is possible that the Organization may have to repay an amount previously forgiven by the SBA.

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Government Grants and Contracts  
Year Ended June 30, 2022**

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**Direct federal funding:**

|  |               |
|--|---------------|
| U.S. Department of Health and Human Services | \$ 62,019,975 |
|--|---------------|

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**Pass-through awards of federal and state funding:**

|  |                         |
|--|-------------------------|
| State of Florida Department of Children and Families | 177,432,902             |
| State of Florida Department of Health                | 6,997,930               |
| Children's Network of Southwest Florida, LLC         | 5,659,810               |
| Eckerd Connects, Community Alternatives              | 4,489,377               |
| Family Support Services of Suncoast, LLC             | 4,616,500               |
| Florida Network of Youth and Family Services, Inc.   | 4,349,464               |
| ChildNet, Inc.                                       | 3,241,037               |
| Safe Children Coalition, Inc.                        | 3,274,557               |
| Partnership for Strong Families, Inc.                | 2,425,930               |
| Lutheran Immigration and Refugee Services            | 4,749,388               |
| Voluntary Pre-Kindergarten                           | 1,432,760               |
| Youth Co-Op, Inc.                                    | 1,008,909               |
| South Florida Workforce Investment Board             | 396,613                 |
| Hillsborough County, State of Florida                | 1,808,561               |
| State of Florida Department of Elder Affairs         | 851,247                 |
| Lakeview Center, Inc.                                | 67,057                  |
| State of Florida Office of Attorney General          | 298,934                 |
| U.S. Committee for Refugees and Immigrants           | 175,618                 |
| National Children's Alliance                         | 77,750                  |
| University of South Florida                          | 95,436                  |
| Hillsborough County Public Schools                   | 84,375                  |
| City of St. Petersburg                               | 13,260                  |
|  | <hr/> 223,547,415 <hr/> |

**Local and other grants and contracts:**

|   |                       |
|---|-----------------------|
| Children's Services Council of Palm Beach County                | 5,151,806             |
| Children's Board of Hillsborough County                         | 2,514,734             |
| Florida Blue Foundation   | 429,017               |
| Lee County, State of Florida                                    | 427,252               |
| Family Endeavors, Inc.  | 287,294               |
| Heartland for Children, Inc.                                    | 114,779               |
| Lutheran Immigration and Refugee Services (MOU)                 | 85,948                |
| Florida Network of Youth and Family Services, Inc. (DV Respite) | 78,568                |
| Hernando County BOCC  | 57,077                |
| Santa Rosa County, State of Florida                             | 43,699                |
| Sarasota County, State of Florida                               | 31,347                |
| Other   | 57,454                |
|   | <hr/> 9,278,975 <hr/> |

|  |                                     |
|--|-------------------------------------|
| <b>Total government grants and contracts</b> | <b><u><u>\$ 294,846,365</u></u></b> |
|--|-------------------------------------|

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues  
Budget Period July 1, 2021 Through June 30, 2022

| State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                         |                   |                     |   |  |                         |                              |                  |                   |
|---|-------------------------|-------------------|---------------------|---|--|-------------------------|------------------------------|------------------|-------------------|
| Part I: Actual Funding Sources and Revenues:  | Aftercare/<br>Follow-Up | Assessment        | Case<br>Management  | Clay<br>Behavioral—<br>Crisis<br>Prevention | Community<br>Forensic<br>Beds—<br>Adult Services | Crisis<br>Stabilization | Crisis Support/<br>Emergency | Day Care         | Day Treatment     |
| Funding Sources and Revenues  |                         |                   |                     |   |  |                         |                              |                  |                   |
| <b>IA. State SAMH funding</b>   |                         |                   |                     |   |  |                         |                              |                  |                   |
| Contract EH003  | \$ 89,110               | \$ 876,894        | \$ 2,813,285        | \$ 480,963                                  | \$ 1,062,673                                     | \$ 17,091,248           | \$ 16,478,524                | \$ 77,660        | \$ 720,550        |
| Contract EH003—carryover  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| <b>Total state SAMH funding</b>   | <b>89,110</b>           | <b>876,894</b>    | <b>2,813,285</b>    | <b>480,963</b>                              | <b>1,062,673</b>                                 | <b>17,091,248</b>       | <b>16,478,524</b>            | <b>77,660</b>    | <b>720,550</b>    |
| <b>IB. Other government funding</b>   |                         |                   |                     |   |  |                         |                              |                  |                   |
| (1) Other state agency funding  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (2) Medicaid  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (3) Local government  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (4) Federal grants and contracts  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (5) In-kind from local government only  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| <b>Total other government funding</b>   | <b>-</b>                | <b>-</b>          | <b>-</b>            | <b>-</b>                                    | <b>-</b>   | <b>-</b>                | <b>-</b>                     | <b>-</b>         | <b>-</b>          |
| <b>IC. All other revenues</b>   |                         |                   |                     |   |  |                         |                              |                  |                   |
| (1) First and second party payments   | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (2) Third-party payments (except Medicare)  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (3) Medicare  | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (4) Contributions and donations   | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (5) Other   | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (6) Refunds   | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| (7) In-kind   | -                       | -                 | -                   | -   | -  | -                       | -                            | -                | -                 |
| <b>Total all other revenues</b>   | <b>-</b>                | <b>-</b>          | <b>-</b>            | <b>-</b>                                    | <b>-</b>   | <b>-</b>                | <b>-</b>                     | <b>-</b>         | <b>-</b>          |
| <b>Total funding</b>  | <b>\$ 89,110</b>        | <b>\$ 876,894</b> | <b>\$ 2,813,285</b> | <b>\$ 480,963</b>                           | <b>\$ 1,062,673</b>                              | <b>\$ 17,091,248</b>    | <b>\$ 16,478,524</b>         | <b>\$ 77,660</b> | <b>\$ 720,550</b> |

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| Part I: Actual Funding Sources and Revenues:<br>Funding Sources and Revenues | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                     |   |                      |                   |                        |   |                              |                     |
|--|---|---------------------|---|----------------------|-------------------|------------------------|---|------------------------------|---------------------|
|  | Drop-In<br>Self-Help<br>Centers   | FR—CAT<br>Teams     | Florida<br>Assertive<br>Community<br>Treatment<br>(FACT) Team | FIT Teams            | HIV Services      | Incidental<br>Expenses | Indigent Psych<br>Medication<br>Program | Information<br>and Referrals | In-Home/<br>On-Site |
| <b>IA. State SAMH funding</b>  |   |                     |   |                      |                   |                        |   |                              |                     |
| Contract EH003   | \$ 738,799  | \$ 8,626,191        | \$ 3,428,459  | \$ 11,748,370        | \$ 385,692        | \$ 2,329,025           | \$ 122,008                              | \$ 760,110                   | \$ 205,405          |
| Contract EH003—carryover   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| <b>Total state SAMH funding</b>  | <b>738,799</b>  | <b>8,626,191</b>    | <b>3,428,459</b>  | <b>11,748,370</b>    | <b>385,692</b>    | <b>2,329,025</b>       | <b>122,008</b>                          | <b>760,110</b>               | <b>205,405</b>      |
| <b>IB. Other government funding</b>  |   |                     |   |                      |                   |                        |   |                              |                     |
| (1) Other state agency funding   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (2) Medicaid   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (3) Local government   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (4) Federal grants and contracts   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (5) In-kind from local government only                                       | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| <b>Total other government funding</b>  | <b>-</b>  | <b>-</b>            | <b>-</b>  | <b>-</b>             | <b>-</b>          | <b>-</b>               | <b>-</b>                                | <b>-</b>                     | <b>-</b>            |
| <b>IC. All other revenues</b>  |   |                     |   |                      |                   |                        |   |                              |                     |
| (1) First and second party payments  | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (2) Third-party payments (except Medicare)                                   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (3) Medicare   | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (4) Contributions and donations  | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (5) Other  | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (6) Refunds  | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| (7) In-kind  | -   | -                   | -   | -                    | -                 | -                      | -                                       | -                            | -                   |
| <b>Total all other revenues</b>  | <b>-</b>  | <b>-</b>            | <b>-</b>  | <b>-</b>             | <b>-</b>          | <b>-</b>               | <b>-</b>                                | <b>-</b>                     | <b>-</b>            |
| <b>Total funding</b>   | <b>\$ 738,799</b>   | <b>\$ 8,626,191</b> | <b>\$ 3,428,459</b>   | <b>\$ 11,748,370</b> | <b>\$ 385,692</b> | <b>\$ 2,329,025</b>    | <b>\$ 122,008</b>                       | <b>\$ 760,110</b>            | <b>\$ 205,405</b>   |

(Continued)



**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |              |                              |                     |  |                        |   |              |   |              |  |
|---|--------------|------------------------------|---------------------|--|------------------------|---|--------------|---|--------------|--|
|   |              |                              |                     |  |                        |   |              | PATH<br>Community<br>Support<br>Services<br>Federal | Prevention   |  |
| Part I: Actual Funding Sources and Revenues:<br>Funding Sources and Revenues            | Inpatient    | Intensive Case<br>Management | Medical<br>Services | Mental Health<br>Clubhouse<br>Services | Methadone<br>Treatment | Multi-<br>Disciplinary<br>Forensic Team | Outreach     |   |              |  |
| IA. State SAMH funding  |              |                              |                     |  |                        |   |              |   |              |  |
| Contract EH003  | \$ 1,616,123 | \$ 61,849                    | \$ 4,881,158        | \$ 1,039,689                           | \$ 4,696,518           | \$ 692,650                              | \$ 1,398,121 | \$ 646,258  | \$ 8,924,334 |  |
| Contract EH003—carryover  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| Total state SAMH funding  | 1,616,123    | 61,849                       | 4,881,158           | 1,039,689                              | 4,696,518              | 692,650                                 | 1,398,121    | 646,258   | 8,924,334    |  |
| IB. Other government funding  |              |                              |                     |  |                        |   |              |   |              |  |
| (1) Other state agency funding  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (2) Medicaid  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (3) Local government  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (4) Federal grants and contracts  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (5) In-kind from local government only  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| Total other government funding  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| IC. All other revenues  |              |                              |                     |  |                        |   |              |   |              |  |
| (1) First and second party payments   | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (2) Third-party payments (except Medicare)  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (3) Medicare  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (4) Contributions and donations   | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (5) Other   | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (6) Refunds   | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| (7) In-kind   | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| Total all other revenues  | -            | -                            | -                   | -                                      | -                      | -                                       | -            | -   | -            |  |
| Total funding   | \$ 1,616,123 | \$ 61,849                    | \$ 4,881,158        | \$ 1,039,689                           | \$ 4,696,518           | \$ 692,650                              | \$ 1,398,121 | \$ 646,258  | \$ 8,924,334 |  |

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)  
Budget Period July 1, 2021 Through June 30, 2022

| State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                     |                     |                         |                             |                  |                      |                   |                     |                         |
|---|---------------------|---------------------|-------------------------|-----------------------------|------------------|----------------------|-------------------|---------------------|-------------------------|
| Part I: Actual Funding Sources and Revenues:  | Respite<br>Services | SA Detox            | Supported<br>Employment | Supported<br>Housing/Living | TASC             | Transitional<br>Beds | Intervention      | Outpatient          | Residential<br>Services |
| Funding Sources and Revenues  |                     |                     |                         |                             |                  |                      |                   |                     |                         |
| <b>IA. State SAMH funding</b>   |                     |                     |                         |                             |                  |                      |                   |                     |                         |
| Contract EH003  | \$ 626,679          | \$ 6,998,467        | \$ 398,896              | \$ 227,178                  | \$ 79,031        | \$ 38,605            | \$ 686,056        | \$ 2,375,648        | \$ 22,424,148           |
| Contract EH003—carryover  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| <b>Total state SAMH funding</b>   | <b>626,679</b>      | <b>6,998,467</b>    | <b>398,896</b>          | <b>227,178</b>              | <b>79,031</b>    | <b>38,605</b>        | <b>686,056</b>    | <b>2,375,648</b>    | <b>22,424,148</b>       |
| <b>IB. Other government funding</b>   |                     |                     |                         |                             |                  |                      |                   |                     |                         |
| (1) Other state agency funding  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (2) Medicaid  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (3) Local government  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (4) Federal grants and contracts  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (5) In-kind from local government only  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| <b>Total other government funding</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>                | <b>-</b>                    | <b>-</b>         | <b>-</b>             | <b>-</b>          | <b>-</b>            | <b>-</b>                |
| <b>IC. All other revenues</b>   |                     |                     |                         |                             |                  |                      |                   |                     |                         |
| (1) First and second party payments   | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (2) Third-party payments (except Medicare)  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (3) Medicare  | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (4) Contributions and donations   | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (5) Other   | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (6) Refunds   | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| (7) In-kind   | -                   | -                   | -                       | -                           | -                | -                    | -                 | -                   | -                       |
| <b>Total all other revenues</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>                | <b>-</b>                    | <b>-</b>         | <b>-</b>             | <b>-</b>          | <b>-</b>            | <b>-</b>                |
| <b>Total funding</b>  | <b>\$ 626,679</b>   | <b>\$ 6,998,467</b> | <b>\$ 398,896</b>       | <b>\$ 227,178</b>           | <b>\$ 79,031</b> | <b>\$ 38,605</b>     | <b>\$ 686,056</b> | <b>\$ 2,375,648</b> | <b>\$ 22,424,148</b>    |

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                                       |                        |                   |                      |   |                            |   |                     |                          |
|---|---------------------------------------|------------------------|-------------------|----------------------|---|----------------------------|---|---------------------|--------------------------|
| Part I: Actual Funding Sources and Revenues:  | Room and<br>Board with<br>Supervision | Transition<br>Vouchers | Bnet              | Care<br>Coordination | Purchased<br>Residential<br>Therapeutic<br>Services | First Episode<br>Psychosis | Fixed Rate<br>Central Receiving<br>Facilities | Recovery<br>Support | Federal<br>Project Grant |
| Funding Sources and Revenues  |                                       |                        |                   |                      |   |                            |   |                     |                          |
| <b>IA. State SAMH funding</b>   |                                       |                        |                   |                      |   |                            |   |                     |                          |
| Contract EH003  | \$ 6,675,811                          | \$ 139,822             | \$ 819,963        | \$ 1,254,319         | \$ 283,125  | \$ 1,331,578               | \$ 7,182,471                                  | \$ 131,725          | \$ 3,196,887             |
| Contract EH003—carryover  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| <b>Total state SAMH funding</b>   | <b>6,675,811</b>                      | <b>139,822</b>         | <b>819,963</b>    | <b>1,254,319</b>     | <b>283,125</b>                                      | <b>1,331,578</b>           | <b>7,182,471</b>                              | <b>131,725</b>      | <b>3,196,887</b>         |
| <b>IB. Other government funding</b>   |                                       |                        |                   |                      |   |                            |   |                     |                          |
| (1) Other state agency funding  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (2) Medicaid  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (3) Local government  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (4) Federal grants and contracts  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (5) In-kind from local government only  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| <b>Total other government funding</b>   | <b>-</b>                              | <b>-</b>               | <b>-</b>          | <b>-</b>             | <b>-</b>  | <b>-</b>                   | <b>-</b>                                      | <b>-</b>            | <b>-</b>                 |
| <b>IC. All other revenues</b>   |                                       |                        |                   |                      |   |                            |   |                     |                          |
| (1) First and second party payments   | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (2) Third-party payments (except Medicare)  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (3) Medicare  | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (4) Contributions and donations   | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (5) Other   | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (6) Refunds   | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| (7) In-kind   | -                                     | -                      | -                 | -                    | -   | -                          | -   | -                   | -                        |
| <b>Total all other revenues</b>   | <b>-</b>                              | <b>-</b>               | <b>-</b>          | <b>-</b>             | <b>-</b>  | <b>-</b>                   | <b>-</b>                                      | <b>-</b>            | <b>-</b>                 |
| <b>Total funding</b>  | <b>\$ 6,675,811</b>                   | <b>\$ 139,822</b>      | <b>\$ 819,963</b> | <b>\$ 1,254,319</b>  | <b>\$ 283,125</b>                                   | <b>\$ 1,331,578</b>        | <b>\$ 7,182,471</b>                           | <b>\$ 131,725</b>   | <b>\$ 3,196,887</b>      |

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| Part I: Actual Funding Sources and Revenues:<br>Funding Sources and Revenues | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                       |                        |   |                                   |   |                            |                                  |
|--|---|-----------------------|------------------------|---|-----------------------------------|---|----------------------------|----------------------------------|
|  | Other<br>Bundled<br>Projects  | Cost<br>Reimbursement | Wraparound<br>Projects | Network<br>Evaluation<br>and<br>Development | Provider<br>Provision<br>Projects | Local<br>Diversion<br>Forensic<br>Project | Sustainability<br>Payments | Total for<br>AMH/CMH/<br>ASA/CSA |
| <b>IA. State SAMH funding</b>  |   |                       |                        |   |                                   |   |                            |                                  |
| Contract EH003   | \$ 7,512,664  | \$ 4,183,362          | \$ 184,429             | \$ 3,232,819                                | \$ 1,583,630                      | \$ -                                      | \$ 134,226                 | \$ 163,693,205                   |
| Contract EH003—carryover   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| <b>Total state SAMH funding</b>  | <u>7,512,664</u>  | <u>4,183,362</u>      | <u>184,429</u>         | <u>3,232,819</u>                            | <u>1,583,630</u>                  | <u>-</u>                                  | <u>134,226</u>             | <u>163,693,205</u>               |
| <b>IB. Other government funding</b>  |   |                       |                        |   |                                   |   |                            |                                  |
| (1) Other state agency funding   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (2) Medicaid   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (3) Local government   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (4) Federal grants and contracts   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (5) In-kind from local government only                                       | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| <b>Total other government funding</b>  | <u>-</u>  | <u>-</u>              | <u>-</u>               | <u>-</u>                                    | <u>-</u>                          | <u>-</u>                                  | <u>-</u>                   | <u>-</u>                         |
| <b>IC. All other revenues</b>  |   |                       |                        |   |                                   |   |                            |                                  |
| (1) First and second party payments  | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (2) Third-party payments (except Medicare)                                   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (3) Medicare   | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (4) Contributions and donations  | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (5) Other  | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (6) Refunds  | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| (7) In-kind  | -   | -                     | -                      | -   | -                                 | -   | -                          | -                                |
| <b>Total all other revenues</b>  | <u>-</u>  | <u>-</u>              | <u>-</u>               | <u>-</u>                                    | <u>-</u>                          | <u>-</u>                                  | <u>-</u>                   | <u>-</u>                         |
| <b>Total funding</b>   | <u>\$ 7,512,664</u>   | <u>\$ 4,183,362</u>   | <u>\$ 184,429</u>      | <u>\$ 3,232,819</u>                         | <u>\$ 1,583,630</u>               | <u>\$ -</u>                               | <u>\$ 134,226</u>          | <u>\$ 163,693,205</u>            |

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| <b>Part I: Actual Funding Sources and Revenues:</b> | <b>ME</b>             | <b>Total for State</b> | <b>Total for Non-</b> | <b>Total for all</b>    | <b>Non-SAMH</b>       | <b>Total</b>          |
|---|-----------------------|------------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| <b>Funding Sources and Revenues</b>                 | <b>Administrative</b> | <b>SAMH-Funded</b>     | <b>State-Funded</b>   | <b>State Designated</b> | <b>Cost Centers</b>   | <b>Funding</b>        |
|   | <b>Services</b>       | <b>Cost Centers</b>    | <b>SAMH Cost</b>      | <b>SAMH-Funded</b>      |                       |                       |
|   |                       |                        | <b>Centers</b>        | <b>Cost Centers</b>     |                       |                       |
| <b>IA. State SAMH funding</b>                       |                       |                        |                       |                         |                       |                       |
| Contract EH003                                      | \$ 5,748,186          | \$ 163,693,205         | \$ -                  | \$ 169,441,391          | \$ -                  | \$ 169,441,391        |
| Contract EH003—carryover                            | -                     | 4,210,827              | -                     | 4,210,827               | -                     | 4,210,827             |
| <b>Total state SAMH funding</b>                     | <b>5,748,186</b>      | <b>167,904,032</b>     | <b>-</b>              | <b>173,652,218</b>      | <b>-</b>              | <b>173,652,218</b>    |
| <b>IB. Other government funding</b>                 |                       |                        |                       |                         |                       |                       |
| (1) Other state agency funding                      | -                     | -                      | -                     | -                       | 7,183,054             | 7,183,054             |
| (2) Medicaid  | -                     | -                      | -                     | -                       | -                     | -                     |
| (3) Local government                                | -                     | -                      | -                     | -                       | 9,278,975             | 9,278,975             |
| (4) Federal grants and contracts                    | -                     | -                      | -                     | -                       | 104,732,118           | 104,732,118           |
| (5) In-kind from local government only              | -                     | -                      | -                     | -                       | -                     | -                     |
| <b>Total other government funding</b>               | <b>-</b>              | <b>-</b>               | <b>-</b>              | <b>-</b>                | <b>121,194,147</b>    | <b>121,194,147</b>    |
| <b>IC. All other revenues</b>                       |                       |                        |                       |                         |                       |                       |
| (1) First and second party payments                 | -                     | -                      | -                     | -                       | 1,080,468             | 1,080,468             |
| (2) Third-party payments (except Medicare)          | -                     | -                      | -                     | -                       | -                     | -                     |
| (3) Medicare  | -                     | -                      | -                     | -                       | -                     | -                     |
| (4) Contributions and donations                     | -                     | -                      | -                     | -                       | 3,832,748             | 3,832,748             |
| (5) Other   | -                     | -                      | -                     | -                       | 362,261               | 362,261               |
| (6) Refunds   | -                     | -                      | -                     | -                       | -                     | -                     |
| (7) In-kind   | -                     | -                      | -                     | -                       | 2,948,013             | 2,948,013             |
| <b>Total all other revenues</b>                     | <b>-</b>              | <b>-</b>               | <b>-</b>              | <b>-</b>                | <b>8,223,490</b>      | <b>8,223,490</b>      |
| <b>Total funding</b>                                | <b>\$ 5,748,186</b>   | <b>\$ 167,904,032</b>  | <b>\$ -</b>           | <b>\$ 173,652,218</b>   | <b>\$ 129,417,637</b> | <b>\$ 303,069,855</b> |

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)  
Budget Period July 1, 2021 Through June 30, 2022

|   | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |            |                    |   |   |                         |                              |           |               |  |
|---|---|------------|--------------------|---|---|-------------------------|------------------------------|-----------|---------------|--|
|   | Aftercare/<br>Follow-Up   | Assessment | Case<br>Management | Clay<br>Behavioral—<br>Crisis<br>Prevention | Community<br>Forensic<br>Beds—Adult<br>Services | Crisis<br>Stabilization | Crisis Support/<br>Emergency | Day Care  | Day Treatment |  |
| <b>Part II: Actual Expenses:</b>          |   |            |                    |   |   |                         |                              |           |               |  |
| <b>Funding Sources and Revenues</b>       |   |            |                    |   |   |                         |                              |           |               |  |
| <b>IIA. Personnel expenses</b>            |   |            |                    |   |   |                         |                              |           |               |  |
| (1) Salaries                              | \$ -  | \$ -       | \$ -               | \$ -  | \$ -  | \$ -                    | \$ -                         | \$ -      | \$ -          |  |
| (2) Fringe benefits                       | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| <b>Total personnel expenses</b>           | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| <b>IIB. Other expenses</b>                |   |            |                    |   |   |                         |                              |           |               |  |
| (1) Building occupancy                    | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (2) Professional services                 | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (3) Travel                                | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (4) Equipment                             | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (5) Food services                         | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (6) Medical and pharmacy                  | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (7) Subcontracted services                | 89,110  | 876,894    | 2,813,285          | 480,963                                     | 1,062,673                                       | 17,091,248              | 16,478,524                   | 77,660    | 720,550       |  |
| (8) Insurance                             | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (9) Interest paid                         | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (10) Operating supplies and expenses      | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (11) Other                                | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (12) Donated items                        | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| <b>Total other expenses</b>               | 89,110  | 876,894    | 2,813,285          | 480,963                                     | 1,062,673                                       | 17,091,248              | 16,478,524                   | 77,660    | 720,550       |  |
| <b>Total personnel and other expenses</b> | 89,110  | 876,894    | 2,813,285          | 480,963                                     | 1,062,673                                       | 17,091,248              | 16,478,524                   | 77,660    | 720,550       |  |
| <b>IIC. Distributed indirect costs</b>    |   |            |                    |   |   |                         |                              |           |               |  |
| (a) Other support costs (optional)        | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| (b) Administration                        | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| <b>Total distributed indirect costs</b>   | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| <b>Total actual operating expenses</b>    | 89,110  | 876,894    | 2,813,285          | 480,963                                     | 1,062,673                                       | 17,091,248              | 16,478,524                   | 77,660    | 720,550       |  |
| <b>IID. Unallowable costs</b>             | -   | -          | -                  | -   | -   | -                       | -                            | -         | -             |  |
| <b>Total allowable operating expenses</b> | \$ 89,110   | \$ 876,894 | \$ 2,813,285       | \$ 480,963                                  | \$ 1,062,673                                    | \$ 17,091,248           | \$ 16,478,524                | \$ 77,660 | \$ 720,550    |  |
| <b>IIIE. Capital expenditures</b>         | \$ -  | \$ -       | \$ -               | \$ -  | \$ -  | \$ -                    | \$ -                         | \$ -      | \$ -          |  |

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| Part II: Actual Expenses:<br>Funding Sources and Revenues | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                 |   |               |              |                        |   |                              |                     |  |
|---|---|-----------------|---|---------------|--------------|------------------------|---|------------------------------|---------------------|--|
|   | Drop-In<br>Self-Help<br>Centers   | FR—CAT<br>Teams | Florida<br>Assertive<br>Community<br>Treatment<br>(FACT) Team | FIT Teams     | HIV Services | Incidental<br>Expenses | Indigent Psych<br>Medication<br>Program | Information<br>and Referrals | In-Home/<br>On-Site |  |
| <b>IIA. Personnel Expenses</b>                            |   |                 |   |               |              |                        |   |                              |                     |  |
| (1) Salaries  | \$ -  | \$ -            | \$ -  | \$ -          | \$ -         | \$ -                   | \$ -                                    | \$ -                         | \$ -                |  |
| (2) Fringe benefits                                       | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| <b>Total personnel expenses</b>                           | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| <b>IIB. Other expenses</b>                                |   |                 |   |               |              |                        |   |                              |                     |  |
| (1) Building occupancy                                    | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (2) Professional services                                 | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (3) Travel  | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (4) Equipment   | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (5) Food services   | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (6) Medical and pharmacy                                  | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (7) Subcontracted services                                | 738,799   | 8,626,191       | 3,428,459   | 11,748,370    | 385,692      | 2,329,025              | 122,008                                 | 760,110                      | 205,405             |  |
| (8) Insurance   | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (9) Interest paid   | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (10) Operating supplies and expenses                      | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (11) Other  | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (12) Donated items  | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| <b>Total other expenses</b>                               | 738,799   | 8,626,191       | 3,428,459   | 11,748,370    | 385,692      | 2,329,025              | 122,008                                 | 760,110                      | 205,405             |  |
| <b>Total personnel and other expenses</b>                 | 738,799   | 8,626,191       | 3,428,459   | 11,748,370    | 385,692      | 2,329,025              | 122,008                                 | 760,110                      | 205,405             |  |
| <b>IIC. Distributed indirect costs</b>                    |   |                 |   |               |              |                        |   |                              |                     |  |
| (a) Other support costs (optional)                        | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| (b) Administration  | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| <b>Total distributed indirect costs</b>                   | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| <b>Total actual operating expenses</b>                    | 738,799   | 8,626,191       | 3,428,459   | 11,748,370    | 385,692      | 2,329,025              | 122,008                                 | 760,110                      | 205,405             |  |
| <b>IID. Unallowable costs</b>                             | -   | -               | -   | -             | -            | -                      | -                                       | -                            | -                   |  |
| <b>Total allowable operating expenses</b>                 | \$ 738,799  | \$ 8,626,191    | \$ 3,428,459  | \$ 11,748,370 | \$ 385,692   | \$ 2,329,025           | \$ 122,008                              | \$ 760,110                   | \$ 205,405          |  |
| <b>IIE. Capital expenditures</b>                          | \$ -  | \$ -            | \$ -  | \$ -          | \$ -         | \$ -                   | \$ -                                    | \$ -                         | \$ -                |  |

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

|   | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                              |                     |  |                        |   |              |            | PATH<br>Community<br>Support<br>Services<br>Federal | Prevention |
|---|---|------------------------------|---------------------|--|------------------------|---|--------------|------------|---|------------|
|   | Inpatient   | Intensive Case<br>Management | Medical<br>Services | Mental Health<br>Clubhouse<br>Services | Methadone<br>Treatment | Multi-<br>Disciplinary<br>Forensic Team | Outreach     |            |   |            |
| <b>Part II: Actual Expenses:</b>          |   |                              |                     |  |                        |   |              |            |   |            |
| <b>Funding Sources and Revenues</b>       |   |                              |                     |  |                        |   |              |            |   |            |
| <b>IIA. Personnel expenses</b>            |   |                              |                     |  |                        |   |              |            |   |            |
| (1) Salaries                              | \$ -  | \$ -                         | \$ -                | \$ -                                   | \$ -                   | \$ -                                    | \$ -         | \$ -       | \$ -  | \$ -       |
| (2) Fringe benefits                       | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| <b>Total personnel expenses</b>           | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| <b>IIB. Other expenses</b>                |   |                              |                     |  |                        |   |              |            |   |            |
| (1) Building occupancy                    | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (2) Professional services                 | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (3) Travel                                | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (4) Equipment                             | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (5) Food services                         | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (6) Medical and pharmacy                  | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (7) Subcontracted services                | 1,616,123   | 61,849                       | 4,881,158           | 1,039,689                              | 4,696,518              | 692,650                                 | 1,398,121    | 646,258    | 8,924,334   |            |
| (8) Insurance                             | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (9) Interest paid                         | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (10) Operating supplies and expenses      | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (11) Other                                | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (12) Donated items                        | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| <b>Total other expenses</b>               | 1,616,123   | 61,849                       | 4,881,158           | 1,039,689                              | 4,696,518              | 692,650                                 | 1,398,121    | 646,258    | 8,924,334   |            |
| <b>Total personnel and other expenses</b> | 1,616,123   | 61,849                       | 4,881,158           | 1,039,689                              | 4,696,518              | 692,650                                 | 1,398,121    | 646,258    | 8,924,334   |            |
| <b>IIC. Distributed indirect costs</b>    |   |                              |                     |  |                        |   |              |            |   |            |
| (a) Other support costs (optional)        | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| (b) Administration                        | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| <b>Total distributed indirect costs</b>   | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| <b>Total actual operating expenses</b>    | 1,616,123   | 61,849                       | 4,881,158           | 1,039,689                              | 4,696,518              | 692,650                                 | 1,398,121    | 646,258    | 8,924,334   |            |
| <b>IID. Unallowable costs</b>             | -   | -                            | -                   | -                                      | -                      | -                                       | -            | -          | -   | -          |
| <b>Total allowable operating expenses</b> | \$ 1,616,123  | \$ 61,849                    | \$ 4,881,158        | \$ 1,039,689                           | \$ 4,696,518           | \$ 692,650                              | \$ 1,398,121 | \$ 646,258 | \$ 8,924,334  |            |
| <b>IIE. Capital expenditures</b>          | \$ -  | \$ -                         | \$ -                | \$ -                                   | \$ -                   | \$ -                                    | \$ -         | \$ -       | \$ -  | \$ -       |



Lutheran Services Florida, Inc. and Subsidiary

Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)  
Budget Period July 1, 2021 Through June 30, 2022

| State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |            |              |            |                |           |              |              |              |      |             |
|---|------------|--------------|------------|----------------|-----------|--------------|--------------|--------------|------|-------------|
| Part II: Actual Expenses:   | Respite    |              | Supported  | Supported      |           | Transitional |              |              |      | Residential |
| Funding Sources and Revenues  | Services   | SA Detox     | Employment | Housing/Living | TASC      | Beds         | Intervention | Outpatient   |      | Services    |
| <b>IIA. Personnel expenses</b>  |            |              |            |                |           |              |              |              |      |             |
| (1) Salaries  | \$ -       | \$ -         | \$ -       | \$ -           | \$ -      | \$ -         | \$ -         | \$ -         | \$ - | \$ -        |
| (2) Fringe benefits   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| <b>Total personnel expenses</b>   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| <b>IIB. Other expenses</b>  |            |              |            |                |           |              |              |              |      |             |
| (1) Building occupancy  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (2) Professional services   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (3) Travel  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (4) Equipment   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (5) Food services   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (6) Medical and pharmacy  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (7) Subcontracted services  | 626,679    | 6,998,467    | 398,896    | 227,178        | 79,031    | 38,605       | 686,056      | 2,375,648    |      | 22,424,148  |
| (8) Insurance   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (9) Interest paid   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (10) Operating supplies and expenses  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (11) Other  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (12) Donated items  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| <b>Total other expenses</b>   | 626,679    | 6,998,467    | 398,896    | 227,178        | 79,031    | 38,605       | 686,056      | 2,375,648    |      | 22,424,148  |
| <b>Total personnel and other expenses</b>   | 626,679    | 6,998,467    | 398,896    | 227,178        | 79,031    | 38,605       | 686,056      | 2,375,648    |      | 22,424,148  |
| <b>IIC. Distributed indirect costs</b>  |            |              |            |                |           |              |              |              |      |             |
| (a) Other support costs (optional)  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| (b) Administration  | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| <b>Total distributed indirect costs</b>   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| <b>Total actual operating expenses</b>  | 626,679    | 6,998,467    | 398,896    | 227,178        | 79,031    | 38,605       | 686,056      | 2,375,648    |      | 22,424,148  |
| <b>IID. Unallowable costs</b>   | -          | -            | -          | -              | -         | -            | -            | -            | -    | -           |
| <b>Total allowable operating expenses</b>   | \$ 626,679 | \$ 6,998,467 | \$ 398,896 | \$ 227,178     | \$ 79,031 | \$ 38,605    | \$ 686,056   | \$ 2,375,648 | \$   | 22,424,148  |
| <b>IIE. Capital expenditures</b>  | \$ -       | \$ -         | \$ -       | \$ -           | \$ -      | \$ -         | \$ -         | \$ -         | \$ - | \$ -        |

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

|   | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                        |            |                      |   |                            |  |                     |                          |  |
|---|---|------------------------|------------|----------------------|---|----------------------------|--|---------------------|--------------------------|--|
|   | Room and<br>Board with<br>Supervision   | Transition<br>Vouchers | Bnet       | Care<br>Coordination | Purchased<br>Residential<br>Therapeutic<br>Services | First Episode<br>Psychosis | Fixed Rate<br>Central<br>Receiving<br>Facilities | Recovery<br>Support | Federal<br>Project Grant |  |
| Part II: Actual Expenses:<br>Funding Sources and Revenues |   |                        |            |                      |   |                            |  |                     |                          |  |
| IIA. Personnel expenses                                   |   |                        |            |                      |   |                            |  |                     |                          |  |
| (1) Salaries  | \$ -  | \$ -                   | \$ -       | \$ -                 | \$ -  | \$ -                       | \$ -   | \$ -                | \$ -                     |  |
| (2) Fringe benefits                                       | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| Total personnel expenses                                  | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| IIB. Other expenses                                       |   |                        |            |                      |   |                            |  |                     |                          |  |
| (1) Building occupancy                                    | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (2) Professional services                                 | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (3) Travel  | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (4) Equipment   | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (5) Food services   | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (6) Medical and pharmacy                                  | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (7) Subcontracted services                                | 6,675,811   | 139,822                | 819,963    | 1,254,319            | 283,125   | 1,331,578                  | 7,182,471  | 131,725             | 3,196,887                |  |
| (8) Insurance   | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (9) Interest paid   | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (10) Operating supplies and expenses                      | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (11) Other  | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (12) Donated items  | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| Total other expenses                                      | 6,675,811   | 139,822                | 819,963    | 1,254,319            | 283,125   | 1,331,578                  | 7,182,471  | 131,725             | 3,196,887                |  |
| Total personnel and other expenses                        | 6,675,811   | 139,822                | 819,963    | 1,254,319            | 283,125   | 1,331,578                  | 7,182,471  | 131,725             | 3,196,887                |  |
| IIC. Distributed indirect costs                           |   |                        |            |                      |   |                            |  |                     |                          |  |
| (a) Other support costs (optional)                        | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| (b) Administration  | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| Total distributed indirect costs                          | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| Total actual operating expenses                           | 6,675,811   | 139,822                | 819,963    | 1,254,319            | 283,125   | 1,331,578                  | 7,182,471  | 131,725             | 3,196,887                |  |
| IID. Unallowable costs                                    | -   | -                      | -          | -                    | -   | -                          | -  | -                   | -                        |  |
| Total allowable operating expenses                        | \$ 6,675,811  | \$ 139,822             | \$ 819,963 | \$ 1,254,319         | \$ 283,125  | \$ 1,331,578               | \$ 7,182,471                                     | \$ 131,725          | \$ 3,196,887             |  |
| IIE. Capital expenditures                                 | \$ -  | \$ -                   | \$ -       | \$ -                 | \$ -  | \$ -                       | \$ -   | \$ -                | \$ -                     |  |

(Continued)  
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**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

|   | State-Designated SAMH Cost Centers<br>State SAMH-Funded Cost Centers<br>AMH/CMH/ASA/CSA |                       |                        |  |                                   |   |                            |                                 |
|---|---|-----------------------|------------------------|--|-----------------------------------|---|----------------------------|---------------------------------|
|   | Other<br>Bundled<br>Projects  | Cost<br>Reimbursement | Wraparound<br>Projects | Network<br>Evaluation and<br>Development | Provider<br>Provision<br>Projects | Local<br>Diversion<br>Forensic<br>Project | Sustainability<br>Payments | Total for<br>AMH/CMH<br>ASA/CSA |
| <b>Part II: Actual Expenses:</b>          |   |                       |                        |  |                                   |   |                            |                                 |
| <b>Funding Sources and Revenues</b>       |   |                       |                        |  |                                   |   |                            |                                 |
| <b>IIA. Personnel expenses</b>            |   |                       |                        |  |                                   |   |                            |                                 |
| (1) Salaries                              | \$ -  | \$ -                  | \$ -                   | \$ -                                     | \$ -                              | \$ -                                      | \$ -                       | \$ -                            |
| (2) Fringe benefits                       | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| <b>Total personnel expenses</b>           | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| <b>IIB. Other expenses</b>                |   |                       |                        |  |                                   |   |                            |                                 |
| (1) Building occupancy                    | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (2) Professional services                 | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (3) Travel                                | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (4) Equipment                             | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (5) Food services                         | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (6) Medical and pharmacy                  | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (7) Subcontracted services                | 7,512,664   | 4,183,362             | 184,429                | 3,232,819                                | 1,583,630                         | -   | 134,226                    | 163,693,205                     |
| (8) Insurance                             | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (9) Interest paid                         | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (10) Operating supplies and expenses      | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (11) Other                                | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (12) Donated items                        | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| <b>Total other expenses</b>               | 7,512,664   | 4,183,362             | 184,429                | 3,232,819                                | 1,583,630                         | -   | 134,226                    | 163,693,205                     |
| <b>Total personnel and other expenses</b> | 7,512,664   | 4,183,362             | 184,429                | 3,232,819                                | 1,583,630                         | -   | 134,226                    | 163,693,205                     |
| <b>IIC. Distributed indirect costs</b>    |   |                       |                        |  |                                   |   |                            |                                 |
| (a) Other support costs (optional)        | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| (b) Administration                        | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| <b>Total distributed indirect costs</b>   | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| <b>Total actual operating expenses</b>    | 7,512,664   | 4,183,362             | 184,429                | 3,232,819                                | 1,583,630                         | -   | 134,226                    | 163,693,205                     |
| <b>IID. Unallowable costs</b>             | -   | -                     | -                      | -  | -                                 | -   | -                          | -                               |
| <b>Total allowable operating expenses</b> | \$ 7,512,664  | \$ 4,183,362          | \$ 184,429             | \$ 3,232,819                             | \$ 1,583,630                      | \$ -                                      | \$ 134,226                 | \$ 163,693,205                  |
| <b>IIE. Capital expenditures</b>          | \$ -  | \$ -                  | \$ -                   | \$ -                                     | \$ -                              | \$ -                                      | \$ -                       | \$ -                            |

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost Center Actual Expenses and Revenues (Continued)**  
**Budget Period July 1, 2021 Through June 30, 2022**

| Part II: Actual Expenses:<br>Funding Sources and Revenues | ME                         |                     | Total for State<br>SAMH-Funded<br>Cost Centers | Total for Non-<br>State-Funded<br>SAMH Cost<br>Centers | Total for all<br>State Designated<br>SAMH-Funded<br>Cost Centers | Non-SAMH<br>Cost Centers | Administration     | Advancement       | Total<br>Expenses     |
|---|----------------------------|---------------------|--|--|--|--------------------------|--------------------|-------------------|-----------------------|
|   | Administrative<br>Services | Carryforward        |  |  |  |                          |                    |                   |                       |
| <b>IIA. Personnel expenses</b>                            |                            |                     |  |  |  |                          |                    |                   |                       |
| (1) Salaries  | \$ 3,419,038               | \$ -                | \$ 3,419,038                                   | \$ -   | \$ 3,419,038   | \$ 51,820,073            | \$ 5,134,887       | \$ 314,875        | \$ 60,688,873         |
| (2) Fringe benefits                                       | 608,216                    | -                   | 608,216  | -  | 608,216  | 12,380,212               | 1,045,276          | 52,858            | 14,086,562            |
| <b>Total personnel expenses</b>                           | <b>4,027,254</b>           | <b>-</b>            | <b>4,027,254</b>                               | <b>-</b>   | <b>4,027,254</b>   | <b>64,200,285</b>        | <b>6,180,163</b>   | <b>367,733</b>    | <b>74,775,435</b>     |
| <b>IIB. Other expenses</b>                                |                            |                     |  |  |  |                          |                    |                   |                       |
| (1) Building occupancy                                    | 230,691                    | -                   | 230,691  | -  | 230,691  | 6,558,318                | 594,033            | 11,397            | 7,394,439             |
| (2) Professional services                                 | 131,127                    | -                   | 131,127  | -  | 131,127  | 2,902,786                | 626,073            | 9,460             | 3,669,446             |
| (3) Travel  | 238,872                    | -                   | 238,872  | -  | 238,872  | 2,257,892                | 157,889            | 14,460            | 2,669,113             |
| (4) Equipment   | 256,899                    | -                   | 256,899  | -  | 256,899  | 4,743,537                | 359,565            | 17,262            | 5,377,263             |
| (5) Food services   | -                          | -                   | -  | -  | -  | 2,217,273                | -                  | 21                | 2,217,294             |
| (6) Medical and pharmacy                                  | -                          | -                   | -  | -  | -  | -                        | -                  | -                 | -                     |
| (7) Subcontracted services                                | -                          | 4,075,920           | 167,769,125                                    | -  | 167,769,125  | 20,099,209               | -                  | -                 | 187,868,334           |
| (8) Insurance   | 31,236                     | -                   | 31,236   | -  | 31,236   | 1,247,894                | 108,530            | 1,795             | 1,389,455             |
| (9) Interest paid   | -                          | -                   | -  | -  | -  | 77,849                   | 120,345            | -                 | 198,194               |
| (10) Operating supplies and expenses                      | 317,071                    | -                   | 317,071  | -  | 317,071  | 13,556,672               | 182,459            | 18,817            | 14,075,019            |
| (11) Other  | 102,534                    | -                   | 102,534  | -  | 102,534  | 171,477                  | 803                | 40,049            | 314,863               |
| (12) Donated items  | -                          | -                   | -  | -  | -  | 2,948,013                | -                  | -                 | 2,948,013             |
| <b>Total other expenses</b>                               | <b>1,308,430</b>           | <b>4,075,920</b>    | <b>169,077,555</b>                             | <b>-</b>   | <b>169,077,555</b>   | <b>56,780,920</b>        | <b>2,149,697</b>   | <b>113,261</b>    | <b>228,121,433</b>    |
| <b>Total personnel and other expenses</b>                 | <b>5,335,684</b>           | <b>4,075,920</b>    | <b>173,104,809</b>                             | <b>-</b>   | <b>173,104,809</b>   | <b>120,981,205</b>       | <b>8,329,860</b>   | <b>480,994</b>    | <b>302,896,868</b>    |
| <b>IIC. Distributed indirect costs</b>                    |                            |                     |  |  |  |                          |                    |                   |                       |
| (a) Other support costs (optional)                        | -                          | -                   | -  | -  | -  | -                        | -                  | -                 | -                     |
| (b) Administration  | 350,522                    | -                   | 350,522  | -  | 350,522  | 7,947,740                | (8,329,860)        | 31,598            | -                     |
| <b>Total distributed indirect costs</b>                   | <b>350,522</b>             | <b>-</b>            | <b>350,522</b>                                 | <b>-</b>   | <b>350,522</b>   | <b>7,947,740</b>         | <b>(8,329,860)</b> | <b>31,598</b>     | <b>-</b>              |
| <b>Total actual operating expenses</b>                    | <b>5,686,206</b>           | <b>4,075,920</b>    | <b>173,455,331</b>                             | <b>-</b>   | <b>173,455,331</b>   | <b>128,928,945</b>       | <b>-</b>           | <b>512,592</b>    | <b>302,896,868</b>    |
| <b>IID. Unallowable costs</b>                             | <b>-</b>                   | <b>-</b>            | <b>-</b>                                       | <b>-</b>   | <b>-</b>   | <b>22,109</b>            | <b>-</b>           | <b>-</b>          | <b>22,109</b>         |
| <b>Total allowable operating expenses</b>                 | <b>\$ 5,686,206</b>        | <b>\$ 4,075,920</b> | <b>\$ 173,455,331</b>                          | <b>\$ -</b>  | <b>\$ 173,455,331</b>  | <b>\$ 128,906,836</b>    | <b>\$ -</b>        | <b>\$ 512,592</b> | <b>\$ 302,874,759</b> |
| <b>IIIE. Capital expenditures</b>                         | <b>\$ 21,969</b>           | <b>\$ -</b>         | <b>\$ 21,969</b>                               | <b>\$ -</b>  | <b>\$ 21,969</b>   | <b>\$ 2,191,314</b>      | <b>\$ -</b>        | <b>\$ -</b>       | <b>\$ 2,213,283</b>   |

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost  
Center Actual Expenses and Revenues (Continued)**

**Schedule of State Earnings  
Year Ended June 30, 2022**

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\* This schedule does not apply for the year ended June 30, 2022.

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost  
Center Actual Expenses and Revenues (Continued)**

**Schedule of Bed-Day Availability Payments**

**Year Ended June 30, 2022**

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\* This schedule does not apply for the year ended June 30, 2022.

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Substance Abuse and Mental Health Services, Program/Cost  
Center Actual Expenses and Revenues (Continued)  
Schedule of Related Party Transaction Adjustments  
Year Ended June 30, 2022**

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\* This schedule does not apply for the year ended June 30, 2022.

**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***

**Independent Auditor's Report**

Board of Directors  
Lutheran Services Florida, 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 (*Government Auditing Standards*), the consolidated financial statements of Lutheran Services Florida, Inc. and Subsidiary (the Organization), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements), and have issued our report thereon dated December 22, 2022.

**Internal Control Over Financial Reporting**

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

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

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



**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*RSM US LLP*

Orlando, Florida  
December 22, 2022

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project  
and Report on Internal Control Over Compliance Required by the Uniform Guidance  
and State of Florida Chapter 10.650, *Rules of the Auditor General***

**Independent Auditor's Report**

Board of Directors  
Lutheran Services Florida, Inc.

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

***Opinion on Each Major Federal Program and State Financial Assistance Project***

We have audited Lutheran Services Florida, Inc. and Subsidiary's (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and in the State of Florida's *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state financial assistance projects for the year ended June 30, 2022. The Organization's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program and State Financial Assistance Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 the State of Florida Chapter 10.650, *Rules of the Auditor General* (Chapter 10.650). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.650 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 Organization 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 and state financial assistance project. Our audit does not provide a legal determination of the Organization'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 Organization's federal programs and state projects.

### ***Auditor's Responsibilities 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 Organization'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 GAAS, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650 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 the Organization's compliance with the requirements of each major federal program and state financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, 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 Organization'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 Organization'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 Organization'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 and Chapter 10.650. Accordingly, this report is not suitable for any other purpose.

*RSM VS LLP*

Orlando, Florida  
December 22, 2022

# Lutheran Services Florida, Inc. and Subsidiary

## Schedule of Expenditures of Federal Awards and State Financial Assistance Year Ended June 30, 2022

| Federal Grantor/Pass-Through Grantor/Program Title  | Federal<br>ALN<br>Number | Contract/Grant<br>Number       | Provided to<br>Subrecipients | Total<br>Federal<br>Expenditures |
|---|--------------------------|--------------------------------|------------------------------|----------------------------------|
| <b>U.S. Department of Agriculture:</b>  |                          |                                |                              |                                  |
| <i>Passed-through from Florida Department of Health:</i>  |                          |                                |                              |                                  |
| Child and Adult Care Food Program   | 10.558                   | D-154                          | \$ -                         | \$ 4,879,697                     |
| COVID-19: Child and Adult Care Food Program   | 10.558                   | D-154                          | -                            | 127,962                          |
| Child and Adult Care Food Program   | 10.558                   | S-121                          | -                            | 1,306,617                        |
| COVID-19: Child and Adult Care Food Program   | 10.558                   | S-121                          | -                            | 354,605                          |
| Child and Adult Care Food Program   | 10.558                   | H-3109                         | -                            | 10,801                           |
| COVID-19: Child and Adult Care Food Program   | 10.558                   | H-3109                         | -                            | 1,096                            |
| Child and Adult Care Food Program   | 10.558                   | H-3110                         | -                            | 14,527                           |
| COVID-19: Child and Adult Care Food Program   | 10.558                   | H-3110                         | -                            | 994                              |
| Child and Adult Care Food Program   | 10.558                   | H-3654                         | -                            | 30,625                           |
| Child and Adult Care Food Program   | 10.558                   | H-3365                         | -                            | 44,590                           |
| COVID-19: Child and Adult Care Food Program   | 10.558                   | H-3365                         | -                            | 613                              |
| <b>Subtotal—U.S. Department of Agriculture</b>  |                          |                                | -                            | 6,772,127                        |
| <b>U.S. Department of Housing and Urban Development:</b>  |                          |                                |                              |                                  |
| <i>Passed-through from City of St. Petersburg:</i>  |                          |                                |                              |                                  |
| CDBG - Entitlement Grants Cluster:  |                          |                                |                              |                                  |
| Community Development Block Grants/Entitlement Grants   | 14.218                   | B-20-MW-12-0017                | -                            | 13,260                           |
| <i>Passed-through from Florida Department of Health:</i>  |                          |                                |                              |                                  |
| Housing Opportunities for Persons with AIDS   | 14.241                   | CODMB                          | -                            | 184,804                          |
| <b>Subtotal—U.S. Department of Housing and<br/>Urban Development</b>                            |                          |                                | -                            | 198,064                          |
| <b>U.S. Department of Justice:</b>  |                          |                                |                              |                                  |
| <i>Passed-through from State of Florida Office of Attorney General:</i>                         |                          |                                |                              |                                  |
| Crime Victim Assistance   | 16.575                   | VOCA-2020-LSF-00524            | -                            | 100,199                          |
|   | 16.575                   | VOCA-2021-LSF-00528            | -                            | 198,736                          |
| <b>Subtotal—U.S. Department of Justice</b>  |                          |                                | -                            | 298,935                          |
| <b>U.S. Department of State:</b>  |                          |                                |                              |                                  |
| <i>Passed-through from Lutheran Immigration and Refugee Services:</i>                           |                          |                                |                              |                                  |
| U.S. Refugee Admissions Program   | 19.510                   | SPRMC021CA3007 / 323-21-LSF-02 | -                            | 152,433                          |
| COVID 19: U.S. Refugee Admissions Program   | 19.510                   | SPRMC021CA3007 / 323-21-LSF-02 | -                            | 19,753                           |
| U.S. Refugee Admissions Program   | 19.510                   | SPRMC022CA0022 / 323-22-LSF-01 | -                            | 267,640                          |
| COVID 19: U.S. Refugee Admissions Program   | 19.510                   | SPRMC022CA0022 / 323-22-LSF-01 | -                            | 44,549                           |
| U.S. Refugee Admissions Program   | 19.510                   | SPRMC021CA3290 / 320-21/22-00  | -                            | 1,639,918                        |
| COVID 19: U.S. Refugee Admissions Program   | 19.510                   | SPRMC021CA3290 / 320-21/22-00  | -                            | 197,905                          |
| <b>Subtotal—U.S. Department of State</b>  |                          |                                | -                            | 2,322,198                        |
| <b>U.S. Department of Treasury</b>  |                          |                                |                              |                                  |
| <i>Passed-through from Florida Department of Children and Families:</i>                         |                          |                                |                              |                                  |
| COVID-19: Coronavirus Relief Fund   | 21.019                   | EH003                          | 1,232,181                    | 1,372,188                        |
| <b>Subtotal—U.S. Department of Treasury</b>   |                          |                                | 1,232,181                    | 1,372,188                        |
| <b>U.S. Department of Homeland Security:</b>  |                          |                                |                              |                                  |
| <i>Passed-through from Hillsborough County Public Schools</i>                                   |                          |                                |                              |                                  |
| Citizenship Education and Training  | 97.010                   | 20CICET00157                   | -                            | 84,375                           |
| <b>Subtotal—U.S. Department of Homeland Security</b>  |                          |                                | -                            | 84,375                           |
| <b>U.S. Department of Health and Human Services:</b>  |                          |                                |                              |                                  |
| Substance Abuse and Mental Health Services Projects of<br>Regional and National Significance    | 93.243                   | H79SM081468                    | -                            | 22,062                           |
|   | 93.243                   | H79TI084098                    | 318,636                      | 443,872                          |
| Mental and Behavioral Health Education<br>and Training Grants                                   | 93.732                   | M01HP31270                     | -                            | 124,033                          |
|   | 93.732                   | T26HP39448                     | 104,328                      | 690,306                          |
| Basic Center Grant  | 93.623                   | 90CY6957                       | -                            | 201,272                          |
|   | 93.623                   | 90CY6962                       | -                            | 149,168                          |
|   | 93.623                   | 90CY7365                       | -                            | 130,360                          |
| Education and Prevention Grants to Reduce Sexual Abuse of<br>Runaway, Homeless and Street Youth | 93.557                   | 90YO2452                       | -                            | 23,944                           |

(Continued)

# Lutheran Services Florida, Inc. and Subsidiary

## Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) Year Ended June 30, 2022

| Federal Grantor/Pass-Through Grantor/Program Title                                       | Federal ALN Number | Contract/Grant Number       | Provided to Subrecipients | Total Federal Expenditures |
|--|--------------------|-----------------------------|---------------------------|----------------------------|
| COVID-19: Emergency Grants to Address Mental and Substance Use Disorders During COVID-19 | 93.665             | H79FG000416                 | \$ 149,548                | \$ 278,429                 |
| Unaccompanied Alien Children Program   | 93.676             | 90ZU0320-02                 | 100,713                   | 3,309,483                  |
|  | 93.676             | 90ZU0320-03                 | 204,307                   | 2,871,438                  |
| Head Start Cluster: COVID-19: Head Start   | 93.600             | 04HE000622-01C5 - CRRSA     | -                         | 594,443                    |
| Head Start Cluster: COVID-19: Head Start   | 93.600             | 04HE000622-01C6 - ARP       | -                         | 718,963                    |
| Head Start Cluster: Head Start   | 93.600             | 04CH011072-03               | -                         | 967,774                    |
| Head Start Cluster: Head Start   | 93.600             | 04CH011072-04               | -                         | 311,168                    |
| Head Start Cluster: Head Start   | 93.600             | 04CH010628-04               | 1,810,869                 | 12,533,778                 |
| Head Start Cluster: Head Start   | 93.600             | 04CH010628-05               | 481,795                   | 3,300,916                  |
| Head Start Cluster: Head Start   | 93.600             | 04CH011190-03               | 1,848,549                 | 10,277,853                 |
| Head Start Cluster: Head Start   | 93.600             | 04CH011190-04               | 509,746                   | 2,464,805                  |
| Head Start Cluster: Head Start   | 93.600             | 04CH011690-01               | 6,125,143                 | 15,416,912                 |
| Head Start Cluster: Head Start   | 93.600             | 04CH011690-02               | 2,560,542                 | 5,252,186                  |
| Head Start Cluster: Head Start   | 93.600             | 04HP000259-03               | 627,737                   | 1,307,040                  |
| Head Start Cluster: Head Start   | 93.600             | 04HP000259-04               | 237,240                   | 411,056                    |
| Head Start Cluster: Head Start Disaster Recovery   | 93.356             | 04TD000155                  | -                         | 218,715                    |
| <i>Passed-through from Hillsborough County, State of Florida:</i>                        |                    |                             |                           |                            |
| Head Start Cluster: Head Start   | 93.600             | 04CH011252-01 / 19-1169     | 308,347                   | 606,179                    |
|  | 93.600             | 04CH011252-02 / 19-1169     | 779,995                   | 1,202,382                  |
| <i>Passed-through from State of Florida Department of Children and Families:</i>         |                    |                             |                           |                            |
| Refugee and Entrant Assistance—State Administered Programs                               | 93.566             | LK208                       | 614,735                   | 1,079,855                  |
|  | 93.566             | LK205                       | -                         | 2,318,342                  |
|  | 93.566             | RET-DP-PY'20-08-00          | -                         | 396,613                    |
|  | 93.566             | XK063LSF                    | -                         | 1,008,909                  |
| Projects for Assistance in Transition from Homelessness (PATH)                           | 93.150             | EH003                       | 646,258                   | 646,258                    |
| Temporary Assistance for Needy Families  | 93.558             | EH003                       | 1,853,457                 | 1,902,814                  |
| COVID 19: Emergency Grants to Address Mental and Substance Use Disorders During COVID-19 | 93.665             | EH003                       | 221,566                   | 221,566                    |
| Children's Health Insurance Program  | 93.767             | EH003                       | 819,963                   | 819,963                    |
| Medicaid Cluster: Medical Assistance Program   | 93.778             | EH003                       | -                         | 42,228                     |
| State Targeted Response to the Opioid Crisis Grants                                      | 93.788             | EH003                       | 13,085,783                | 13,597,761                 |
| Block Grants for Community Mental Health Services  | 93.958             | EH003                       | 18,104,934                | 18,800,844                 |
| Block Grants for Prevention and Treatment of Substance Abuse                             | 93.959             | EH003                       | 34,371,409                | 34,371,409                 |
| Block Grants for Community Mental Health Services  | 93.958             | LH844                       | 25,833                    | 30,274                     |
| <i>Passed-through from Lutheran Immigration and Refugee Services:</i>                    |                    |                             |                           |                            |
| Refugee and Entrant Assistance—Voluntary Agency Programs                                 | 93.567             | 2102MDRVMG / 342-21-LSF-00  | -                         | 60,535                     |
|  | 93.567             | 2202MDRVMG / 342-22-LSF-00  | -                         | 1,049,707                  |
| Refugee and Entrant Assistance Discretionary Grants                                      | 93.576             | 90RP0124-01-01 / 354-22-00A | -                         | 518,739                    |
|  | 93.576             | 90RP0124-01-03/ 354-22-00B  | -                         | 27,140                     |
| Unaccompanied Alien Children Program   | 93.676             | 90ZU0318-02/358-21-00       | -                         | 249,455                    |
|  | 93.676             | 90ZU0318-03/358-22-00       | -                         | 138,558                    |
|  | 93.676             | 90ZU0394-01 / 358-21-01     | -                         | 8,669                      |
|  | 93.676             | 90ZU0361-01/357-21-00       | -                         | 183,698                    |
|  | 93.676             | 90ZU0361-02/357-22-00       | -                         | 190,688                    |
| <i>Passed-through from U.S. Committee for Refugees and Immigrants</i>                    |                    |                             |                           |                            |
| Block Grants for Community Mental Health Services  | 93.598             | 90ZV0123                    | -                         | 175,617                    |
| <i>Passed-through from University of South Florida:</i>                                  |                    |                             |                           |                            |
| Healthy Marriage Promotion and Responsible Fatherhood Grants                             | 93.086             | 5112-5527-00-B - 90ZB0024   | -                         | 95,436                     |
| <i>Passed-through from Eckerd Connects, Community Alternatives:</i>                      |                    |                             |                           |                            |
| Promoting Safe and Stable Families   | 93.556             | ECA-C6-CMO-LSF-FY22         | -                         | 31,630                     |
|  | 93.556             | ECA-C6-DIV-CFP-FY22         | 170,673                   | 557,846                    |
| Temporary Assistance for Needy Families  | 93.558             | ECA-C6-CMO-LSF-FY22         | -                         | 684,423                    |
|  | 93.558             | ECA-C6-DIV-CFP-FY23         | 206,734                   | 443,079                    |

(Continued)

# Lutheran Services Florida, Inc. and Subsidiary

## Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) Year Ended June 30, 2022

| Federal Grantor/Pass-Through Grantor/Program Title                        | Federal ALN Number | Contract/Grant Number | Provided to Subrecipients | Total Federal Expenditures |
|---|--------------------|-----------------------|---------------------------|----------------------------|
| Stephanie Tubbs Jones Child Welfare Services Program                      | 93.645             | ECA-C6-CMO-LSF-FY22   | \$ -                      | \$ 399,982                 |
| Foster Care—Title IV-E  | 93.658             | ECA-C6-CMO-LSF-FY22   | -                         | 1,340,810                  |
|   | 93.658             | ECA-C6-DIV-CFP-FY23   | 340,041                   | 555,712                    |
| Adoption Assistance   | 93.659             | ECA-C6-CMO-LSF-FY22   | -                         | 118,636                    |
| Social Services Block Grant   | 93.667             | ECA-C6-DIV-CFP-FY23   | -                         | -                          |
| Child Abuse and Neglect State Grants                                      | 93.669             | ECA-C6-DIV-CFP-FY23   | 4,160                     | 13,596                     |
| <i>Passed-through from Children's Network of Southwest Florida, LLC:</i>  |                    |                       |                           |                            |
| Promoting Safe and Stable Families  | 93.556             | ABK01                 | -                         | 17,423                     |
|   | 93.556             | WBS01                 | -                         | 12,300                     |
| Temporary Assistance for Needy Families                                   | 93.558             | ABK01                 | -                         | 470,169                    |
|   | 93.558             | FBR01                 | -                         | 105,036                    |
| Grants to States for Access and Visitation Programs                       | 93.597             | ABK01                 | -                         | 22,098                     |
| Stephanie Tubbs Jones Child Welfare Services Program                      | 93.645             | ABK01                 | -                         | 274,770                    |
| Foster Care—Title IV-E  | 93.658             | ABK01                 | -                         | 1,097,241                  |
|   | 93.658             | FBR01                 | -                         | 144,844                    |
| Adoption Assistance   | 93.659             | ABK01                 | -                         | 114,377                    |
| Social Services Block Grant   | 93.667             | WBS01                 | -                         | 81,079                     |
|   | 93.667             | SAT05                 | -                         | 6,673                      |
|   | 93.667             | N/A                   | -                         | 8,222                      |
| <i>Passed-through from ChildNet, Inc.:</i>                                |                    |                       |                           |                            |
| Promoting Safe and Stable Families  | 93.556             | LSF20RGC              | -                         | 72,189                     |
|   | 93.556             | N/A                   | -                         | 14,850                     |
| Foster Care—Title IV-E  | 93.658             | LSF20RGC              | -                         | 607,562                    |
|   | 93.658             | N/A                   | -                         | 14,017                     |
| Social Services Block Grant   | 93.667             | LSF20RGC              | -                         | 318,334                    |
|   | 93.667             | LSF20PIL              | -                         | 89,005                     |
|   | 93.667             | N/A                   | -                         | 5,531                      |
| John H. Chafee Foster Care Program for Successful Transition to Adulthood | 93.674             | LSF20PIL              | -                         | 2,201                      |
| <i>Passed-through from Partnership for Strong Families:</i>               |                    |                       |                           |                            |
| Promoting Safe and Stable Families  | 93.556             | PCM763                | -                         | 10,508                     |
| Temporary Assistance for Needy Families                                   | 93.558             | PCM763                | -                         | 283,556                    |
| Stephanie Tubbs Jones Child Welfare Services Program                      | 93.645             | PCM763                | -                         | 165,712                    |
| Foster Care - Title IV-E  | 93.658             | PCM763                | -                         | 536,601                    |
|   | 93.658             | N/A                   | -                         | 22,031                     |
| Adoption Assistance   | 93.659             | PCM763                | -                         | 45,616                     |
| John H. Chafee Foster Care Program for Successful Transition to Adulthood | 93.674             | PCM763                | -                         | 1,318                      |
| <i>Passed-through from Safe Children Coalition, Inc.:</i>                 |                    |                       |                           |                            |
| Promoting Safe and Stable Families  | 93.556             | LSFCM20               | -                         | 34,330                     |
| Temporary Assistance for Needy Families                                   | 93.558             | LSFCM20               | -                         | 382,485                    |
| Grants to States for Access and Visitation Programs                       | 93.597             | LSFCM20               | -                         | 19,193                     |
| Stephanie Tubbs Jones Child Welfare Services Programs                     | 93.645             | LSFCM20               | -                         | 222,571                    |
| Foster Care—Title IV-E  | 93.658             | LSFCM20               | -                         | 695,094                    |
| Adoption Assistance   | 93.659             | LSFCM20               | -                         | 61,267                     |
| John H. Chafee Foster Care Program for Successful Transition to Adulthood | 93.674             | LSFCM20               | -                         | 1,605                      |
| Medical Assistance Program  | 93.778             | LSFCM20               | -                         | 4,946                      |
| <i>Passed-through from Lakeview Center, Inc.:</i>                         |                    |                       |                           |                            |
| Foster Care—Title IV-E  | 93.658             | C-010-101             | -                         | 5,128                      |
| Social Services Block Grant   | 93.667             | C-010-101             | -                         | 14,478                     |
| Block Grants for Community Mental Health Services                         | 93.958             | C-010-201             | -                         | 10,479                     |
| <b>Subtotal—U.S. Department of Health and Human Services</b>              |                    |                       | <b>86,633,041</b>         | <b>151,904,168</b>         |
| <b>Total expenditures of federal awards</b>                               |                    |                       | <b>\$ 87,865,222</b>      | <b>\$ 162,952,055</b>      |

(Continued)

# Lutheran Services Florida, Inc. and Subsidiary

## Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) Year Ended June 30, 2022

| State Grantor/Pass-Through Grantor/Program Title                                    | State<br>CSFA<br>Number | Contract/Grant<br>Number | Provided to<br>Subrecipients | Total<br>State<br>Expenditures |
|---|-------------------------|--------------------------|------------------------------|--------------------------------|
| <b>State Courts System:</b>   |                         |                          |                              |                                |
| <i>Passed-through from Gulf Coast Kid's House:</i>                                  |                         |                          |                              |                                |
| Florida Network of Children Advocacy Centers  | 22.016                  | N/A                      | \$ -                         | \$ 77,750                      |
| <b>Department of Children and Families:</b>   |                         |                          |                              |                                |
| Forensic Services and Competency Restoration Training                               | 60.114                  | EH003                    | 1,230,053                    | 1,230,053                      |
| Substance Abuse and Mental Health—Community Services                                | 60.153                  | EH003                    | 1,666,319                    | 1,666,319                      |
| Substance Abuse and Mental Health—Crisis Prevention<br>and Stabilization Services   | 60.155                  | EH003                    | 2,600,000                    | 2,600,000                      |
| Centralized Receiving Systems   | 60.163                  | EH003                    | 7,908,967                    | 7,908,967                      |
| SAMH ME State Funded Federal Excluded Services                                      | 60.190                  | EH003                    | 903,926                      | 903,926                        |
| Criminal Justice, Mental Health, and Substance<br>Abuse Reinvestment Grant Program  | 60.115                  | LHZ76                    | 18,436                       | 29,892                         |
|   | 60.115                  | LHZ86                    | 170,539                      | 322,321                        |
| <i>Passed-through from Childnet, Inc.:</i>  |                         |                          |                              |                                |
| Out-Of-Home Supports  | 60.074                  | LSF20RGC                 | -                            | 15,702                         |
|   | 60.074                  | LSF20PIL                 | -                            | 22,647                         |
|   | 60.074                  | N/A                      | -                            | 750                            |
| <i>Passed-through from Children's Network of<br/>Southwest Florida, LLC:</i>        |                         |                          |                              |                                |
| CBC—Purchase of Therapeutic Services for Children                                   | 60.183                  | WBS01                    | -                            | 39,521                         |
| <b>Subtotal—Department of Children and Families</b>                                 |                         |                          | <b>14,498,240</b>            | <b>14,740,098</b>              |
| <b>Department of Education:</b>   |                         |                          |                              |                                |
| <i>Passed-through from Early Learning Coalition of Pinellas<br/>County, Inc.:</i>   |                         |                          |                              |                                |
| Voluntary Pre-Kindergarten Education Program  | 48.108                  | N/A                      | -                            | 165,275                        |
| <i>Passed-through from Early Learning Coalition of<br/>Palm Beach County, Inc.:</i> |                         |                          |                              |                                |
| Voluntary Pre-Kindergarten Education Program  | 48.108                  | N/A                      | -                            | 661,664                        |
| <i>Passed-through from the Early Learning Coalition of<br/>Duval, Inc.:</i>         |                         |                          |                              |                                |
| Voluntary Pre-Kindergarten Education Program  | 48.108                  | N/A                      | -                            | 605,821                        |
| <b>Subtotal—Department of Education</b>   |                         |                          | <b>-</b>                     | <b>1,432,760</b>               |
| <b>Department of Health:</b>  |                         |                          |                              |                                |
| Medical Services for Abused and Neglected Children                                  | 64.006                  | CP1PN                    | -                            | 41,000                         |
| <b>Department of Elder Affairs:</b>   |                         |                          |                              |                                |
| Public Guardianship   | 65.003                  | X9208.A3                 | -                            | 300,591                        |
|   | 65.003                  | X9238.A3                 | -                            | 550,656                        |
| <b>Subtotal—Department of Elder Affairs</b>   |                         |                          | <b>-</b>                     | <b>851,247</b>                 |
| <b>Department of Juvenile Justice:</b>  |                         |                          |                              |                                |
| <i>Passed-through from Florida Network of Youth and<br/>Family Services, Inc.:</i>  |                         |                          |                              |                                |
| Children and Families in Need of Services (CINS/FINS)                               | 80.005                  | Southeast                | -                            | 1,091,857                      |
|   | 80.005                  | Northwest                | -                            | 1,483,308                      |
|   | 80.005                  | Southwest                | -                            | 1,774,299                      |
| <b>Subtotal—Department of Juvenile Justice</b>                                      |                         |                          | <b>-</b>                     | <b>4,349,464</b>               |
| <b>Total expenditures of state financial assistance</b>                             |                         |                          | <b>14,498,240</b>            | <b>21,492,319</b>              |
| <b>Total expenditures of federal awards and state financial assistance</b>          |                         |                          | <b>\$ 102,363,462</b>        | <b>\$ 184,444,374</b>          |

See notes to schedule of expenditures of federal awards and state financial assistance.



## **Lutheran Services Florida, Inc. and Subsidiary**

### **Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Year Ended June 30, 2022**

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#### **Note 1. Basis of Presentation**

The accompanying consolidated schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal award and state financial assistance project activity of Lutheran Services Florida, Inc. and Subsidiary, under programs of the federal government and the state of Florida for the year ended June 30, 2022. 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 the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of Lutheran Services Florida, Inc. and Subsidiary, it is not intended to and does not present the financial position, changes in net assets or cash flows of Lutheran Services Florida, Inc. and Subsidiary.

#### **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 and cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **Note 3. Indirect Cost Rate**

Lutheran Services Florida, Inc. and Subsidiary has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

#### **Note 4. Other**

The accompanying Schedule presents federal expenditures and state financial assistance by pass-through agency. Expenditures of certain federal programs and state financial assistance projects were awarded to Lutheran Services Florida, Inc. and Subsidiary by more than one pass-through agency or under more than one contract. Total expenditures by federal award program and state financial assistance project are summarized on pages 56-57.

## Lutheran Services Florida, Inc. and Subsidiary

### Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Year Ended June 30, 2022

| ALN No.                                     | Federal Program or Cluster  | Federal Expenditures  |
|---|---|-----------------------|
| 10.558                                      | Child and Adult Care Food Program   | \$ 6,286,857          |
| 10.558                                      | COVID-19: Child and Adult Care Food Program   | 485,270               |
| 14.218                                      | CDBG - Entitlement Grants Cluster: Community Development Block Grants/Entitlement Grant         | 13,260                |
| 14.241                                      | Housing Opportunities for Persons with AIDS   | 184,804               |
| 16.575                                      | Crime Victim Assistance   | 298,935               |
| 19.510                                      | U.S. Refugee Admissions Program   | 2,059,991             |
| 19.510                                      | COVID-19: U.S. Refugee Admissions Program   | 262,207               |
| 21.019                                      | COVID-19: Coronavirus Relief Fund   | 1,372,188             |
| 93.086                                      | Healthy Marriage Promotion and Responsible Fatherhood Grants                                    | 95,436                |
| 93.150                                      | Projects for Assistance in Transition from Homelessness (PATH)                                  | 646,258               |
| 93.243                                      | Substance Abuse and Mental Health Services Projects of Regional and National Significance       | 465,934               |
| 93.356                                      | Head Start Cluster: Head Start Disaster Recovery  | 218,715               |
| 93.556                                      | Promoting Safe and Stable Families  | 751,076               |
|   | Education and Prevention Grants to Reduce Sexual Abuse of Runaway,<br>Homeless and Street Youth | 23,944                |
| 93.557                                      | Temporary Assistance for Needy Families   | 4,271,562             |
| 93.566                                      | Refugee and Entrant Assistance—State Administered Programs                                      | 4,803,719             |
| 93.567                                      | Refugee and Entrant Assistance—Voluntary Agency Programs  | 1,110,242             |
| 93.576                                      | Refugee and Entrant Assistance Discretionary Grants   | 545,879               |
| 93.597                                      | Grants to States for Access and Visitation Programs   | 41,291                |
| 93.598                                      | Services to Victims of a Severe Form of Trafficking   | 175,617               |
| 93.600                                      | Head Start Cluster: Head Start  | 54,052,049            |
| 93.600                                      | COVID-19: Head Start Cluster: Head Start  | 1,313,406             |
| 93.623                                      | Basic Center Grant  | 480,800               |
| 93.645                                      | Stephanie Tubbs Jones Child Welfare Services Program  | 1,063,035             |
| 93.658                                      | Foster Care—Title IV-E  | 5,019,040             |
| 93.659                                      | Adoption Assistance   | 339,896               |
| 93.665                                      | COVID-19: Emergency Grants to Address Mental and Substance Use Disorders<br>During COVID-19     | 499,995               |
| 93.667                                      | Social Services Block Grant   | 523,322               |
| 93.669                                      | Child Abuse and Neglect State Grants  | 13,596                |
| 93.674                                      | John H. Chafee Foster Care Program for Successful Transition to Adulthood                       | 5,124                 |
| 93.676                                      | Unaccompanied Alien Children Program  | 6,951,989             |
| 93.732                                      | Mental and Behavioral Health Education and Training Grants                                      | 814,339               |
| 93.767                                      | Children's Health Insurance Program   | 819,963               |
| 93.778                                      | Medicaid Cluster: Medical Assistance Program  | 47,174                |
| 93.788                                      | State Targeted Response to the Opioid Crisis Grants   | 13,597,761            |
| 93.958                                      | Block Grants for Community Mental Health Services   | 18,841,597            |
| 93.959                                      | Block Grants for Prevention and Treatment of Substance Abuse                                    | 34,371,409            |
| 97.010                                      | Citizenship Education and Training  | 84,375                |
| <b>Total expenditures of federal awards</b> |   | <b>\$ 162,952,055</b> |

**Lutheran Services Florida, Inc. and Subsidiary**

**Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended June 30, 2022**

| CSFA No.  | State Financial Assistance Project  | State<br>Expenditures |
|---|---|-----------------------|
| 22.016  | Florida Network of Children Advocacy Centers                                    | \$ 77,750             |
| 48.108  | Voluntary Pre-Kindergarten Education Program                                    | 1,432,760             |
| 60.074  | Out-Of-Home Supports  | 39,099                |
| 60.114  | Forensic Services and Competency Restoration Training                           | 1,230,053             |
| 60.115  | Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program | 352,213               |
| 60.153  | Substance Abuse and Mental Health—Community Services                            | 1,666,319             |
| 60.155  | Substance Abuse and Mental Health—Crisis Prevention and Stabilization Services  | 2,600,000             |
| 60.163  | Centralized Receiving Systems   | 7,908,967             |
| 60.183  | CBC—Purchase of Therapeutic Services for Children                               | 39,521                |
| 60.190  | SAMH ME State Funded Federal Excluded Services                                  | 903,926               |
| 64.006  | Medical Services for Abused and Neglected Children                              | 41,000                |
| 65.003  | Public Guardianship   | 851,247               |
| 80.005  | Children and Families in Need of Services (CINS/FINS)                           | 4,349,464             |
| <b>Total expenditures of state financial assistance</b> |   | <b>\$ 21,492,319</b>  |

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022**

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**Section I—Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

           Yes       X       No

Significant deficiency(ies) identified?

           Yes       X       None Reported

Noncompliance material to financial statements noted?

           Yes       X       No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?

           Yes       X       No

Significant deficiency(ies) identified?

           Yes       X       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 Section 2 CFR 200.516(a)?

           Yes       X       No

Identification of major federal programs:

ALN Number(s)

19.510

93.788

93.959

93.767

Name of Federal Program or Cluster:

U.S. Refugee Admissions Program

State Targeted Response to the Opioid Crisis Grants

Block Grants for Prevention and Treatment of Substance Abuse

Children's Health Insurance Program

Dollar threshold used to distinguish between type A and type B programs:

\$ 3,000,000

Auditee qualified as low-risk auditee?

      X       Yes            No

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended June 30, 2022**

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**Section I—Summary of Auditor's Results (Continued)**

**State Financial Assistance Projects**

Internal control over major programs:

Material weakness(es) identified?

           Yes          X     No

Significant deficiency(ies) identified?

           Yes          X     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 Chapter 10.650?

           Yes          X     No

Identification of major projects:

CSFA Number(s)

60.163

80.005

Name of State Financial Assistance Project

Centralized Receiving Systems

Children and Families in Need of Services (CINS/FINS)

Dollar threshold used to distinguish between type A  
and type B programs:

\$ 750,000

(Continued)

**Lutheran Services Florida, Inc. and Subsidiary**

**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended June 30, 2022**

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**Section II—Financial Statement Findings**

None reported.

**Section III—Findings and Questioned Costs for Federal Awards and State Financial Assistance**

None reported.

**Section IV—Other Reporting**

There was no management letter or control deficiency letter issued for the year ended June 30, 2022, as there were no matters required to be reported in these letters.

No Corrective Action Plan is presented because there were no findings required to be reported under the Federal Single Audit Act or the Florida Single Audit Act.

**Lutheran Services Florida**  
**Summary Schedule of Prior Year Audit Findings**  
**YEAR ENDED JUNE 30, 2022**



**Identifying Number: 2021-001- Subrecipient Monitoring Risk Assessment**

Finding: During their test work, RSM noted that the Organization conducted an evaluation of three subrecipients, but the Organization did not formally document the evaluation of each of these subrecipients as it pertains to the risk of noncompliance with federal statutes, regulations, and the terms and conditions of each sub-award for purposes of determining appropriate subrecipient monitoring. Due to this, a conclusion was not formally reached as to the level of required monitoring for each subrecipient to ensure proper accountability and compliance with program requirements and achievement of performance goals.

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LSF Comments: Lutheran Services Florida currently has 72 subrecipients of State and Federal funding approximating \$138 million dollars. We have met the subrecipient monitoring requirements for those subrecipients for many years. The subrecipient agreements referenced above were agreements entered into during fiscal year 2020 for a total of \$1.1 million dollars in a different line of business than our current subrecipients. Given the Covid pandemic and staffing constraints, we were unable to fully document the evaluation of each of these subrecipients during fiscal year 2021.

Corrective Actions Taken or Planned: After our fiscal year ended June 30, 2021, LSF did document a formalized risk assessment approach to be taken for these subrecipients. In January 2022, risk assessment checklists were sent to the subrecipients mentioned above. Those checklists have been returned to LSF and a full risk assessment monitoring will take place in February 2022. In addition, risk assessments will be completed annually for these subrecipients.

Follow Up as of December 2022 – Risk Assessments checklists were sent in January 2022 to the subrecipients for them to complete. The subrecipients returned the completed risk assessments in February 2022. Our monitoring of their information took place in March 2022. The subrecipients were identified as “low risk” and we completed our reviews in March and April 2022. The final subrecipient monitoring reports are currently being processed.

**Identifying Number: 2021-002- Federal Funding Accountability and Transparency Act (FFATA)**

Finding: Per 2 CFR 170, direct recipients of grants or cooperative agreements who make first-tier subawards of \$30,000 or more are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

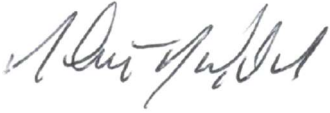
LSF Comments: LSF was unaware of this requirement that has been in effect since October 2010 and this issue was not identified in any prior audits. This requirement applies to 4 LSF subcontracts in our Head Start program.

Corrective Actions Taken or Planned: LSF will enter the required data into the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) for these 4 contracts in February 2022 and will continue this practice of reporting the data when entering into a new contract or amending/renewing a current contract per the FFATA requirements.

Follow Up as of December 2022 – LSF entered the subrecipient data into the FSRS in February 2022. We also entered into new contracts with these subcontractors effective April 1, 2022. The new contract information was entered in April 2022, within 30 days of the new contracts being executed.

The responsible person is the Chief Financial Officer.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert Wydra". The signature is fluid and cursive, with a large initial "R" and a stylized "W".

Robert Wydra  
Chief Financial Officer