

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Financial and Compliance Report
June 30, 2025

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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 Subsidiary (the Organization), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, 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, 2025 and 2024, 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 financial audits contained in *Government Auditing Standards* issued by the Comptroller General 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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 as indicated within the table of contents 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 supplementary 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 February 6, 2026, 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, 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

Tampa, Florida
February 6, 2026

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 29,220,974	\$ 26,311,072
Grants receivable	62,045,561	68,321,190
Program fees and other receivables, net of allowance for credit losses of \$ 165,165 and \$151,288 as of June 30, 2025 and 2024, respectively	1,155,166	2,365,137
Current portion of gifted land and facilities	2,066,846	1,697,757
Prepaid expenses	1,613,602	1,923,973
Total current assets	96,102,149	100,619,129
Investments	1,428,354	1,285,860
Beneficial interest in assets held by others	998,267	928,322
Gifted land and facilities, net of current portion	10,344,605	9,375,714
Right-of-use lease assets—operating	6,476,710	8,184,579
Property and equipment, net	21,277,330	18,017,867
Other assets	481,480	492,191
Total assets	\$ 137,108,895	\$ 138,903,662
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 41,328,637	\$ 41,062,762
Accrued salaries and payroll related expenses	10,504,252	9,346,718
Other accrued expenses	774,472	3,372,369
Refundable advances	39,146,505	42,021,222
Current portion of lease liabilities—operating	2,832,565	2,748,230
Current portion of lease liabilities—finance	150,849	140,886
Current portion of mortgage and note payable	16,476	276,378
Total current liabilities	94,753,756	98,968,565
Lease liabilities—operating, net of current portion	3,644,145	5,436,349
Lease liabilities—finance, net of current portion	246,511	397,360
Loan and mortgage payable, net of current portion	568,550	1,332,383
Total liabilities	99,212,962	106,134,657
Commitments and contingencies (Note 14)		
Net assets:		
Without donor restrictions	12,517,802	11,588,107
With donor restrictions	25,378,131	21,180,898
Total net assets	37,895,933	32,769,005
Total liabilities and net assets	\$ 137,108,895	\$ 138,903,662

See notes to consolidated financial statements.

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Statements of Activities

Years Ended June 30, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support:						
Government grants and contracts	\$ 433,982,356	\$ 241,807	\$ 434,224,163	\$ 416,000,115	\$ -	\$ 416,000,115
Contributions of nonfinancial assets	5,267,761	3,750,662	9,018,423	2,730,280	6,360,868	9,091,148
Contributions	1,776,365	4,221,758	5,998,123	1,766,699	3,149,921	4,916,620
Program service fees	1,132,800	-	1,132,800	1,047,470	-	1,047,470
Other income, net	1,424,372	-	1,424,372	833,961	-	833,961
Investment return, net	348,365	-	348,365	351,624	-	351,624
Change in value of beneficial interest in assets held by others	811	69,134	69,945	-	42,906	42,906
Net assets released from restrictions	4,086,128	(4,086,128)	-	3,670,227	(3,670,227)	-
Total revenues and support	448,018,958	4,197,233	452,216,191	426,400,376	5,883,468	432,283,844
Expenses:						
Program services	433,689,691	-	433,689,691	413,541,710	-	413,541,710
Supporting services	13,399,572	-	13,399,572	13,005,866	-	13,005,866
Total expenses	447,089,263	-	447,089,263	426,547,576	-	426,547,576
Change in net assets before other changes	929,695	4,197,233	5,126,928	(147,200)	5,883,468	5,736,268
Other changes:						
Acquisition of Hands of Mercy Everywhere, Inc.	-	-	-	3,263,745	718,240	3,981,985
	-	-	-	3,263,745	718,240	3,981,985
Change in net assets	929,695	4,197,233	5,126,928	3,116,545	6,601,708	9,718,253
Net assets:						
Beginning	11,588,107	21,180,898	32,769,005	8,471,562	14,579,190	23,050,752
Ending	\$ 12,517,802	\$ 25,378,131	\$ 37,895,933	\$ 11,588,107	\$ 21,180,898	\$ 32,769,005

See notes to consolidated financial statements.

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services							Supporting Services								
	Substance Abuse and Mental Health Services		Youth and Family Services			Resettlement Services		Adult Services		Total Program Services		General and Administrative		Total Supporting Services		Total Expenses
	Children Programs	Mental Health Services	Family Services	Resettlement Services	Adult Services	Total Program Services	General and Administrative	Advancement	Total Supporting Services							
Salaries	\$ 4,259,097	\$ 27,763,365	\$ 39,109,355	\$ 17,012,157	\$ 1,082,811	\$ 89,226,785	\$ 8,071,154	\$ 402,583	\$ 8,473,737	\$ 97,700,522						
Payroll taxes and employee benefits	972,016	7,106,240	9,815,216	3,647,825	287,270	21,828,567	1,637,899	120,305	1,758,204	23,586,771						
Total salaries and related expenses	5,231,113	34,869,605	48,924,571	20,659,982	1,370,081	111,055,352	9,709,053	522,888	10,231,941	121,287,293						
Professional fees and contract services	868,951	3,362,734	282,695	326,727	274,999	5,116,106	921,188	57,809	978,997	6,095,103						
Subcontractor expenses	251,164,341	17,343,133	261,470	450,070	-	269,219,014	-	-	-	269,219,014						
Office expenses and program supplies	635,681	3,091,733	1,111,661	2,322,729	30,816	7,192,620	165,060	3,064	168,124	7,360,744						
Food	-	2,689,061	613,566	171,119	160	3,473,906	-	-	-	3,473,906						
Assistance to individuals	-	4,703,440	517,482	5,936,429	2,581	11,159,932	166,750	-	166,750	11,326,682						
Occupancy	306,026	7,094,022	1,819,962	2,571,285	142,396	11,933,691	279,445	8,911	288,356	12,222,047						
Repairs and maintenance	1,384	2,960,059	697,214	374,149	7,847	4,040,653	20,396	813	21,209	4,061,862						
Equipment costs	252,202	342,169	183,772	222,481	25,330	1,025,954	646,223	20,378	666,601	1,692,555						
Insurance and taxes	53,545	1,110,891	1,402,877	446,694	23,303	3,037,310	134,425	3,636	138,061	3,175,371						
Transportation and travel	69,198	1,191,949	1,803,270	144,178	37,476	3,246,071	298,910	26,902	325,812	3,571,883						
Postage, printing and publication	39,824	366,042	96,507	77,898	12,373	592,644	42,942	22,431	65,373	658,017						
Interest	-	31,070	31,233	-	-	62,303	77,363	-	77,363	139,666						
Other operating expenses	52,779	110,071	286,895	188,312	46,979	685,036	193,070	12,062	205,132	890,168						
Total expenses before depreciation and amortization	258,675,044	79,265,979	58,033,175	33,892,053	1,974,341	431,840,592	12,654,825	678,894	13,333,719	445,174,311						
Depreciation and amortization	2,779	1,312,655	387,699	145,966	-	1,849,099	65,853	-	65,853	1,914,952						
Total expenses	\$ 258,677,823	\$ 80,578,634	\$ 58,420,874	\$ 34,038,019	\$ 1,974,341	\$ 433,689,691	\$ 12,720,678	\$ 678,894	\$ 13,399,572	\$ 447,089,263						

See notes to consolidated financial statements.

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services						Supporting Services				
	Substance Abuse and Mental Health Services		Youth and Family Services		Resettlement Services		Adult Services		Total Program Services	General and Administrative	Supporting Services
	Children Programs	Programs	Services	Services	Services	Services	Services	Services	Services	Advancement	Services
Salaries	\$ 4,546,832	\$ 23,917,855	\$ 39,458,057	\$ 15,505,233	\$ 954,206	\$ 84,382,183	\$ 7,266,179	\$ 462,731	\$ 7,728,910	\$ 92,111,093	
Payroll taxes and employee benefits	1,074,111	6,668,858	10,062,008	3,520,801	265,225	21,591,003	1,718,976	136,087	1,855,063	23,446,066	
Total salaries and related expenses	5,620,943	30,586,713	49,520,065	19,026,034	1,219,431	105,973,186	8,985,155	598,818	9,583,973	115,557,159	
Professional fees and contract services	843,770	2,839,039	430,323	141,885	223,334	4,478,351	863,310	47,956	911,266	5,389,617	
Subcontractor expenses	237,236,013	16,906,817	514,603	1,453,890	-	256,111,323	-	-	-	256,111,323	
Office expenses and program supplies	422,393	4,242,928	774,129	1,784,179	21,894	7,245,523	289,838	3,902	293,740	7,539,263	
Food	526	2,392,601	487,595	342,823	-	3,223,545	-	-	-	3,223,545	
Assistance to individuals	90	4,818,385	285,369	5,514,623	667	10,619,134	-	-	-	10,619,134	
Occupancy	314,667	6,071,010	1,770,576	2,615,707	125,247	10,897,207	283,368	9,185	292,553	11,189,760	
Repairs and maintenance	5,706	2,968,196	1,423,582	441,294	6,658	4,845,436	72,034	1,060	73,094	4,918,530	
Equipment costs	273,944	392,146	196,363	185,533	24,903	1,072,889	544,077	30,915	574,992	1,647,881	
Insurance and taxes	52,327	926,790	1,217,291	337,015	19,213	2,552,636	141,442	3,661	145,103	2,697,739	
Transportation and travel	157,751	1,169,538	1,909,238	361,626	34,728	3,632,881	309,778	22,387	332,165	3,965,046	
Postage, printing and publication	76,153	240,363	70,386	122,889	10,829	520,620	80,407	32,947	113,354	633,974	
Interest	-	35,129	-	-	-	35,129	107,679	-	107,679	142,808	
Other operating expenses	81,306	157,239	308,277	190,402	15,213	752,437	513,403	16,976	530,379	1,282,816	
Total expenses before depreciation and amortization	245,085,589	73,746,894	58,907,797	32,517,900	1,702,117	411,960,297	12,190,491	767,807	12,958,298	424,918,595	
Depreciation and amortization	4,223	1,268,003	298,599	10,588	-	1,581,413	47,568	-	47,568	1,628,981	
Total expenses	\$ 245,089,812	\$ 75,014,897	\$ 59,206,396	\$ 32,528,488	\$ 1,702,117	\$ 413,541,710	\$ 12,238,059	\$ 767,807	\$ 13,005,866	\$ 426,547,576	

See notes to consolidated financial statements.

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 5,126,928	\$ 9,718,253
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,914,952	1,628,981
Acquisition of HOME (noncash portion)	-	(3,132,974)
Loss on sale/disposal of property and equipment	-	307,123
Net realized and unrealized gain on investments and assets limited as to use	(112,672)	(82,728)
Change in value of beneficial interest in assets held by others	(69,945)	(42,906)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants receivables	6,275,629	(13,572,071)
Program receivables	1,209,971	(879,427)
Prepaid expenses	310,371	(487,570)
Gifted land and facilities	(1,337,980)	(4,056,905)
Right-of-use lease assets—operating	1,707,869	(1,188,129)
Other assets	10,711	63,104
Increase (decrease) in:		
Accounts payable	265,875	(4,807,307)
Accrued salaries and payroll related expenses	1,157,534	1,278,946
Other accrued expenses	(2,597,897)	1,640,757
Refundable advances	(2,874,717)	20,562,246
Lease liabilities—operating	(1,707,869)	1,188,129
Net cash provided by operating activities	9,278,760	8,137,522
Cash flows from investing activities:		
Purchases of investments and assets limited as to use	(242,088)	(118,484)
Proceeds from the sale of investments	212,266	91,707
Purchases of property and equipment	(5,174,415)	(3,957,841)
Proceeds from the sale of property and equipment	-	2,500
Net cash used in investing activities	(5,204,237)	(3,982,118)
Cash flows from financing activities:		
Borrowings under line of credit	-	750,000
Repayment of line of credit	-	(750,000)
Principal payments on finance lease liabilities	(140,886)	(131,580)
Proceeds from notes and mortgage payable	600,000	-
Repayments of notes and mortgage payable	(1,623,735)	(263,582)
Net cash used in financing activities	(1,164,621)	(395,162)
Net increase in cash and cash equivalents	2,909,902	3,760,242
Cash and cash equivalents:		
Beginning	26,311,072	22,550,830
Ending	\$ 29,220,974	\$ 26,311,072

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Consolidated Statements of Cash Flows (Continued)
Years Ended June 30, 2025 and 2024

	2025	2024
Supplemental schedule of noncash investing and financing activities:		
Property, plant and equipment acquired from HOME	<u>\$</u> -	<u>\$</u> 2,841,504
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest	<u>\$</u> 108,433	<u>\$</u> 142,808
Operating lease right-of-use assets obtained in exchange for new operating lease liabilities	<u>\$</u> 1,509,427	<u>\$</u> 4,198,122
Cash payments made for operating leases	<u>\$</u> 3,335,116	<u>\$</u> 3,435,696

See notes to consolidated financial statements.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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.

On June 5, 2023, LSF became the sole member of Miami Bridge Youth and Family Services, Inc. (Miami Bridge). Miami Bridge is a social service agency committed to providing opportunities to promote positive youth development and strengthen and support families to enable children to actualize their full potential and become productive community members. During fiscal year 2025, Miami Bridge was dissolved into LSF.

On January 2, 2024, LSF acquired Hands of Mercy Everywhere, Inc. (HOME), a nonprofit formed for the purpose of providing a Christian home for parenting and pregnant teen moms and adolescent girls in foster care. The programs operated by HOME directly aligned with LSF's mission and allowed the Organization to expand their Florida reach. Upon acquisition, HOME and its programs were dissolved into LSF.

On December 7, 2023, the Lutheran Collaborative (TLC) was incorporated. TLC empowers Lutheran service organizations, as well as other similar mission-aligned organizations, to foster innovation, amplify community impact and enhance efficiency through collaborative excellence. On July 25, 2024, LSF amended its bylaws, resulting in TLC being one of three members of LSF. TLC has submitted its application for tax-exempt status in September 2024 and is awaiting approval.

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.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

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: The consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Not-for-Profit Entities topic of the ASC, 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 are not subject to donor-imposed stipulations but may be designated for specific purposes by action of the board of directors.

Net assets with donor restrictions: Net assets are 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 accounting principles generally accepted in the United States of America, 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.

Grants receivable: Receivables under grants are due in less than one year. Management has recorded an allowance for doubtful accounts of \$59,267 as of both June 30, 2025 and 2024.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

Program fees and other receivables: Program fees receivable are stated at unpaid balances, less an allowance for credit losses. The Organization considers a program service fees receivable past due when amounts are not received within the due date specified on the request for payment. The allowance for credit losses is determined using the loss-rate approach and measured on a collective (pool) basis when similar risk characteristics exist.

Allowance for credit losses: The allowance for credit losses is the Organization's best estimate of the amount of probable credit losses in the Organization's existing program fees and other receivables and is based upon historical loss patterns, the number of days that billings are past due and an evaluation of the potential risk of loss associated with specific accounts. Account balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Provisions for allowances for credit losses are recorded in general and administrative expense.

Estimating credit losses based on risk characteristics requires significant judgment by the Organization. Significant judgments include but are not limited to assessing current economic conditions and the extent to which they would be relevant to the existing characteristics of the Organization's financial assets, the estimated life of financial assets and the level of reliance on historical experience in light of economic conditions. The Organization separates program fees receivables into risk pools based on their aging and reviews and updates, when necessary, its historical risk characteristics that are meaningful to estimating credit losses, any new risk characteristics that arise in the natural course of business and the estimated life of its financial assets.

At June 30, 2025 and 2024, the Organization evaluated the impact of current and future economic conditions on its historical loss rates for each risk pool and in management's judgement concluded that any impact to loss rates would be immaterial. Therefore, no loss rates of any risk pool were adjusted for current or future economic conditions.

Changes in the allowance for credit losses for receivables are as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Beginning balance	\$ 151,288	\$ 152,956
Provision for expected credit losses	13,877	34,103
Charge-offs	-	(35,771)
Ending balance	<u>\$ 165,165</u>	<u>\$ 151,288</u>

Gifted land and facilities: The Organization accounts for gifted land and 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 land and facilities asset is recorded for any future benefit expected to be recognized and is amortized to expense as the Organization uses the land and facilities over the term of the applicable lease.

Investments and investment return, net: Investments are reported at fair value. Investment return, 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.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

Property and equipment: Property and equipment is 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.

Leases: The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization recognizes most leases on its consolidated statements of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the consolidated statements of activities.

The Organization made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Organization made an accounting policy election available to nonpublic companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed-rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Organization has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The nonlease components typically represent additional services transferred to the Organization, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

Lease expense for operating leases is reported in occupancy costs in the accompanying consolidated statements of functional expenses. Lease expense for finance leases is reported in depreciation and amortization expense in the accompanying consolidated statements of functional expenses.

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, 2025 and 2024.

Revenue recognition: The Organization first determines if a transaction represents an exchange transaction and, if so, accounts for the transaction in accordance with FASB ASC 606, Revenue from Contracts with Customers, 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 \$1,132,800 and \$1,047,470 for the years ended June 30, 2025 and 2024, respectively. Receivable balances, net of an allowance for credit losses, were \$432,793, \$312,736 and \$524,398 as of June 30, 2025, June 30, 2024 and July 1, 2023, respectively. These balances are included in program fees and other receivables, net, on the consolidated statements of financial position. There were no deferred revenue balances for program services as of June 30, 2025, June 30, 2024 and June 30, 2023.

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 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.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

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 with donor restrictions and then released 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 professional fees and contract services, office expenses and program supplies, food and occupancy expense 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 typically meet the criteria as conditional awards and are thus 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. Conditional awards are recognized to revenue as net assets without donor restrictions if no donor-imposed restrictions remain at the time they become unconditional. Accordingly, amounts received, but not recognized as revenue, are classified in the consolidated statements of financial position as refundable advances.

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.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

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 three years from the filing date of the respective returns.

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 Community Foundation of Broward, Inc. and Community Foundation of Tampa Bay, Inc. (the Community Foundations) 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.

Recently issued accounting pronouncements: In July 2025, the FASB issued Accounting Standards Update (ASU) 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The ASU introduces a practical expedient and, for entities other than public business entities, an accounting policy election to simplify the application of Topic 326, *Financial Instruments—Credit Losses*, to current accounts receivable and current contract assets arising from revenue transactions accounted for under Topic 606, *Revenue from Contracts with Customers*.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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

This ASU is effective for all entities for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance. The Organization is currently evaluating the impact of this new guidance on its consolidated financial statements.

Subsequent events: The Organization has evaluated subsequent events through February 6, 2026, the date on which the consolidated financial statements were available to be issued.

Note 2. Fair Value of Financial Instruments

The following tables summarize major categories of the Organization's assets measured at fair value on a recurring basis as of June 30, 2025 and 2024:

	2025			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market funds	\$ 21,891	\$ -	\$ -	\$ 21,891
Equity securities:				
Emerging market funds	198,566	-	-	198,566
Preferred stock	25,188	-	-	25,188
Index funds	37,587	-	-	37,587
Convertible securities	28,022	-	-	28,022
Large growth funds	210,560	-	-	210,560
Large cap funds	228,248	-	-	228,248
International emerging	64,694	-	-	64,694
Fixed income securities:				
Index bond funds	64,456	-	-	64,456
Intermediate duration bond funds	185,725	-	-	185,725
Corporate bond funds	109,979	-	-	109,979
Global bond funds	30,251	-	-	30,251
U.S. government securities funds	156,748	-	-	156,748
Real asset funds	66,439	-	-	66,439
Total investments	1,428,354	-	-	1,428,354
Beneficial interest in assets held by others:				
Community foundations	-	165,760	-	165,760
Perpetual trust	-	-	832,507	832,507
Total beneficial interest in assets held by others	-	165,760	832,507	998,267
	\$ 1,428,354	\$ 165,760	\$ 832,507	\$ 2,426,621

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 2. Fair Value of Financial Instruments (Continued)

	2024				
	Level 1	Level 2	Level 3	Total	
Investments:					
Money market funds	\$ 14,930	\$ -	\$ -	\$ 14,930	
Equity securities:					
Emerging market funds	196,890	-	-	196,890	
Preferred stock	25,556	-	-	25,556	
Index funds	24,226	-	-	24,226	
Convertible securities	25,509	-	-	25,509	
Large growth funds	151,701	-	-	151,701	
Large cap funds	180,490	-	-	180,490	
International emerging	74,873	-	-	74,873	
Fixed income securities:					
Index bond funds	56,887	-	-	56,887	
Intermediate duration bond funds	181,864	-	-	181,864	
Corporate bond funds	83,499	-	-	83,499	
Global bond funds	24,968	-	-	24,968	
U.S. government securities funds	181,396	-	-	181,396	
Real asset funds	63,071	-	-	63,071	
Total investments	1,285,860	-	-	1,285,860	
Beneficial interest in assets held by others:					
Community foundations	-	156,454	-	156,454	
Perpetual trust	-	-	771,868	771,868	
Total beneficial interest in assets held by others	-	156,454	771,868	928,322	
	<u>\$ 1,285,860</u>	<u>\$ 156,454</u>	<u>\$ 771,868</u>	<u>\$ 2,214,182</u>	

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.

Note 3. Grants Receivable

Grants receivable consist of the following at June 30, 2025 and 2024:

	2025	2024
Managing entity contract	\$ 42,029,179	\$ 41,964,926
Other grants and funding sources	20,016,382	26,356,264
	<u>\$ 62,045,561</u>	<u>\$ 68,321,190</u>

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 4. Property and Equipment

Property and equipment consists of the following at June 30, 2025 and 2024:

	Estimated Useful Lives (Years)	2025	2024
Land	N/A	\$ 2,526,189	\$ 2,286,189
Buildings and improvements	35	10,748,077	8,747,850
Vehicles	3-5	2,009,032	1,541,244
Leasehold improvements	5	14,587,297	10,171,184
Computer equipment and software	3-5	957,856	802,108
Furniture and equipment	2-5	1,952,489	1,786,332
Construction in progress	N/A	1,786,354	4,279,034
		34,567,294	29,613,941
Less accumulated depreciation and amortization		(13,289,964)	(11,596,074)
		<u>\$ 21,277,330</u>	<u>\$ 18,017,867</u>

Depreciation and amortization expense for the years ended June 30, 2025 and 2024, was \$1,914,952 and \$1,628,981, respectively.

Construction commitments totaled \$777,564 and \$690,593 as of June 30, 2025 and 2024, respectively. As of June 30, 2025 and 2024, construction in progress projects consisted of the building and renovations of new classrooms and dormitories as well as significant renovations to existing facilities.

Note 5. Beneficial Interest in Assets Held by Others

The Organization has established endowments at 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.

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

	2025	2024
Beneficial interest in assets held by others:		
Community Foundation of Broward, Inc.	\$ 158,157	\$ 149,202
Community Foundation of Tampa Bay, Inc.	7,603	7,252
	<u>165,760</u>	<u>156,454</u>
Beneficial interest in perpetual trust:		
Charles A. Zerbst Trust	832,507	771,868
	<u>\$ 998,267</u>	<u>\$ 928,322</u>

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 6. Gifted Land and Facilities

Gifted land and facilities represents the present value of the excess of the aggregate fair rental value of land and building leases over below market rent payments. Gifted facilities represent lease agreements executed in connection with the Organization's Head Start programs operated in Pinellas, Duval and Palm Beach counties. Gifted land represents lease agreements executed in connection with land made available by the City of Miami, City of Homestead, and State of Florida for the purpose of housing LSF's Miami Bridge facilities.

Gifted land and facilities are recorded as contributions with donor restrictions and are released from restrictions as expense is recorded. Activity of the gifted facilities during the years ended June 30, 2025 and 2024, is summarized as follows:

	Pinellas Properties	Duval Properties	Palm Beach Properties	Miami Bridge Land	Okaloosa	Total
Balance at June 30, 2023	\$ 1,445,601	\$ 468,454	\$ 1,199,209	\$ 3,903,302	\$ -	\$ 7,016,566
Contributions	241,276	187,019	5,932,573	-	-	6,360,868
Rent expense	(422,063)	(401,538)	(1,335,795)	(144,567)	-	(2,303,963)
Balance at June 30, 2024	1,264,814	253,935	5,795,987	3,758,735	-	11,073,471
Contributions	100,612	431,497	1,444,373	-	1,774,180	3,750,662
Rent expense	(457,239)	(172,996)	(1,508,381)	(144,566)	(129,500)	(2,412,682)
Balance at June 30, 2025	908,187	512,436	5,731,979	3,614,169	1,644,680	12,411,451
Less current portion of gifted facilities	(163,272)	(164,654)	(1,437,969)	(144,567)	(156,384)	(2,066,846)
Gifted facilities, net current portion	\$ 744,915	\$ 347,782	\$ 4,294,010	\$ 3,469,602	\$ 1,488,296	\$ 10,344,605

Note 7. Accounts Payable

Accounts payable consist of the following at June 30, 2025 and 2024:

	2025	2024
Managing entity contract	\$ 35,144,182	\$ 37,039,151
Trade	6,184,455	4,023,611
	<u>\$ 41,328,637</u>	<u>\$ 41,062,762</u>

Note 8. Line of Credit

In May 2025, the Organization entered into a revolving line of credit arrangement with a financial institution with a maximum availability of \$10,000,000. Interest is payable monthly using the SOFR or other agreed upon benchmark plus 2%, with a floor of 4% (6.31% at June 30, 2025). The line of credit is secured by the Organization's grants receivable balance and requires the Organization to meet certain covenants. At June 30, 2025, management believes the Organization was in compliance with these restrictive covenants. There was no outstanding balance on the line of credit at June 30, 2025. The line of credit matures in May 2028.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 8. Line of Credit (Continued)

In fiscal year 2024, the Organization maintained 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 was payable monthly at the lender's cost of funds, which was the weighted-average annual rate of interest plus a spread of up to 3% (5% at June 30, 2024). The line of credit was secured by the Organization's grants receivable balance and requires the Organization to meet certain covenants. There was no outstanding balance on the line of credit at June 30, 2024. The line of credit matured on April 4, 2025, and was not renewed.

Note 9. Loan and Mortgage Payable

In fiscal year 2025, the Organization entered into a new \$600,000 mortgage with Lutheran Church Extension Fund-Missouri Synod to procure certain real property. This mortgage is secured by the property and matures in August 2034. The mortgage requires the Organization to meet certain restrictive covenants. At June 30, 2025, management believes the Organization was in compliance with these restrictive covenants. Payments of principal and interest are made on a monthly basis with any remaining balance due at maturity. The interest rate was 6.25% as of June 30, 2025 and is variable annually based on the lender's cost of funds plus up to 3%. The outstanding principal balance on the mortgage was \$585,026 as of June 30, 2025.

Maturities of the note payable at June 30, 2025, are as follows:

Years ending June 30:

2026	\$ 16,476
2027	17,536
2028	18,663
2029	19,864
2030	21,142
Thereafter	491,345
	585,026
Less current portion	(16,476)
	\$ 568,550

During fiscal year 2024, the Organization had 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 was secured by the Organization's grants receivable balance and requires the Organization to meet certain covenants. The promissory note called 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 was adjusted based on the lender's cost of funds plus 3% through maturity. The monthly interest payment was adjusted accordingly. In fiscal year 2025, the Organization paid off this loan in full, including any accrued interest. The outstanding balance on the note payable at June 30, 2024 was \$1,608,761.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 10. Leases

The Organization leases real estate and equipment under operating lease agreements that have initial terms ranging from one to 13 years. Some leases include one or more options to renew, generally at the Organization's sole discretion. In addition, certain leases contain termination options where the rights to terminate are held by either the Organization, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Organization will exercise that option. The Organization's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense are as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Operating lease cost	\$ 3,319,689	\$ 3,300,744
Finance lease cost—amortization of right-of-use assets	160,888	160,888
Finance lease cost—interest on lease liabilities	14,257	18,849
Short-term lease cost	437,423	366,047
Variable lease cost	6,937	184,584
Sublease income, gross	(39,541)	(23,517)
Total lease cost	\$ 3,899,653	\$ 4,007,595

Total rent expense was approximately \$3,939,000 and \$4,031,000 and is included in occupancy costs in the consolidated statements of functional expenses for the years ended June 30, 2025 and 2024, respectively.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 10. Leases (Continued)

Supplemental consolidated statements of financial position information related to leases is as follows as of June 30, 2025 and 2024:

	2025	2024
Finance leases:		
Buildings and improvements	\$ 1,619,489	\$ 1,619,489
Furniture and equipment	78,860	78,860
Accumulated depreciation	<u>(1,296,085)</u>	<u>(1,132,628)</u>
Finance lease right-of-use assets, net	<u><u>\$ 402,264</u></u>	<u><u>\$ 565,721</u></u>
Current maturities of finance lease liabilities	\$ 150,849	\$ 140,886
Finance lease liabilities, non-current	246,511	397,360
Total finance lease liabilities	<u><u>\$ 397,360</u></u>	<u><u>\$ 538,246</u></u>
	2025	2024
Weighted-average remaining lease term (in years):		
Operating leases	3.95	3.99
Finance leases	2.50	3.50
Weighted-average discount rate:		
Operating leases	3.77%	3.64%
Finance leases	2.90%	2.90%
Future undisclosed cash flows for each of the next five years and thereafter and reconciliation to the lease liabilities recognized on the consolidated statement of financial position as of June 30, 2025, is as follows:		
	Operating Leases	Finance Leases
Years ending June 30:		
2026	\$ 3,017,183	\$ 173,400
2027	1,294,893	173,400
2028	728,997	86,700
2029	667,701	-
2030	489,477	-
Thereafter	<u>786,505</u>	<u>-</u>
Total lease payments	<u>6,984,756</u>	<u>433,500</u>
Less imputed interest	<u>(508,046)</u>	<u>(36,140)</u>
Total present value of lease liabilities	<u><u>\$ 6,476,710</u></u>	<u><u>\$ 397,360</u></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, 2025 and 2024:

	2025	2024
Undesignated	\$ 11,089,448	\$ 10,302,247
Board designated for specified purposes	1,428,354	1,285,860
	<u><u>\$ 12,517,802</u></u>	<u><u>\$ 11,588,107</u></u>

The board of directors of LSF established a board-designated endowment to be used to support operations which was \$1,428,354 and \$1,285,860 as of June 30, 2025 and 2024, respectively.

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2025 and 2024:

	2025	2024
Restricted for specified purposes or time:		
Facilities and equipment subject to time restrictions	\$ 10,250,021	\$ 8,204,691
Gifted land and facilities	12,411,451	11,073,471
Other	1,718,392	974,414
	<u><u>24,379,864</u></u>	<u><u>20,252,576</u></u>
Restricted in perpetuity—endowment:		
Broward County program endowment	158,157	149,202
Tampa Bay program endowment	7,603	7,252
	<u><u>165,760</u></u>	<u><u>156,454</u></u>
Restricted in perpetuity—beneficial interest:		
Zerbst Trust	832,507	771,868
	<u><u>\$ 25,378,131</u></u>	<u><u>\$ 21,180,898</u></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, 2025 and 2024, are as follows:

	2025	2024
Facilities and equipment subject to time restrictions	\$ 1,430,675	\$ 1,259,063
Rent expense from gifted land and facilities	2,412,682	2,303,963
Other	242,771	107,201
	<u><u>\$ 4,086,128</u></u>	<u><u>\$ 3,670,227</u></u>

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

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. From time to time, certain donor-restricted endowment funds may have a fair value less than the amount required to be maintained by donors or by law (underwater endowments). The Organization's policy is to not allow spending from underwater endowments. At June 30, 2025 and 2024, there were no underwater endowment funds with donor restrictions.

Endowment net asset composition by type of fund are as follows at June 30, 2025 and 2024:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Board-designated endowment	\$ 1,428,354	\$ -	\$ 1,428,354
Broward County program endowment	-	158,157	158,157
Tampa Bay program endowment	-	7,603	7,603
	\$ 1,428,354	\$ 165,760	\$ 1,594,114

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 12. Endowment Funds (Continued)

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Board-designated endowment	\$ 1,285,860	\$ -	\$ 1,285,860
Broward County program endowment	-	149,202	149,202
Tampa Bay program endowment	-	7,252	7,252
	<u>\$ 1,285,860</u>	<u>\$ 156,454</u>	<u>\$ 1,442,314</u>

Changes in endowment net assets for the years ended June 30, 2025 and 2024, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment Net Assets
Balances at June 30, 2023	\$ 1,176,354	\$ 149,969	\$ 1,326,323
Investment return, net	109,506	15,399	124,905
Appropriations	-	(8,914)	(8,914)
Balances at June 30, 2024	<u>1,285,860</u>	<u>156,454</u>	<u>1,442,314</u>
Investment return, net	142,494	18,162	160,656
Appropriations	-	(8,856)	(8,856)
Balances at June 30, 2025	<u>\$ 1,428,354</u>	<u>\$ 165,760</u>	<u>\$ 1,594,114</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, all employees are eligible upon hire. The Organization may elect to make matching and nonelective 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 nonelective 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, 2025 and 2024, totaled approximately \$1,918,000 and \$1,872,000, respectively.

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.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 14. Contingencies (Continued)

During fiscal year 2024, the Organization sponsored a welfare benefit plan (the Plan) which provides medical and prescription drug benefits to its employees. Under the terms of the Plan, the Organization was responsible and self-insured for the first \$185,000 of individual covered claims and was subject to a maximum annual aggregate stop-loss limit, which was \$175,000 for the year ended June 30, 2024. Health insurance expense was 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 outsourced administration of claims to a third-party administrator (Meritain). Under the terms of the Meritain agreement, Meritain provided management with an estimate of incurred but not reported claims (IBNR) and the future development of covered claims using an actuarially determined reserve methodology based on current and historical claims development trends, which was recorded in payroll taxes and employee benefits in the accompanying consolidated statements of functional expenses. As of January 1, 2024, the Organization ceased sponsorship of the welfare benefit plan and changed to a fully insured health plan. Estimated health insurance expense was approximately \$11,845,000 and \$11,968,000 for the years ended June 30, 2025 and 2024, respectively, 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, 2025 and 2024, the Organization had approximately \$2,200 and \$195,500, respectively, of funds included in cash and cash equivalents to pay remaining outstanding claims.

Beginning in January 2025, President Trump signed several executive orders (EOs) ordering the pause or termination of federal assistance for programs that do not align with the new administration's policies. The administration tasked federal departments with evaluating all federal programs they administer, to determine if the funding being provided falls under any of the EOs. During the fiscal year ended June 30, 2025, the Organization received communications from its federal funding agencies indicating approximately \$3,100,000 of current and future federal funding had been terminated. Given the continued uncertainty surrounding future federal funding actions, management is actively monitoring the situation and will continue to assess the potential effect, if any, on the Organization's consolidated financial statements.

Note 15. Contributions of Nonfinancial Assets

Contributions of nonfinancial assets included in the consolidated statements of activities are as follows:

	2025	2024
Professional services	\$ 407,422	\$ 279,330
Rent	1,099,171	1,043,715
Food, clothing and household items	3,761,168	1,407,235
Gifted land and facilities	3,750,662	6,360,868
	<hr/> \$ 9,018,423	<hr/> \$ 9,091,148

No donated food, clothing and household items or professional services were restricted for use. The Organization estimates the fair value of its contributions of nonfinancial assets in line with FASB ASC 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. Rent and gifted land and facilities are valued based upon appraisals performed. 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

Note 15. Contributions of Nonfinancial Assets (Continued)

Donated services for the years ended June 30, 2025 and 2024, with estimated fair values of approximately \$6,774,000 and \$3,948,000, 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 16. 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, 2025 and 2024.

Note 17. Liquidity and Availability of Resources

As of June 30, 2025 and 2024, 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, 2025 and 2024:

	2025	2024
Financial assets, at year-end:		
Cash and cash equivalents	\$ 29,220,974	\$ 26,311,072
Grants receivable	62,045,561	68,321,190
Program and other receivables, net	1,155,166	2,365,137
Investments	1,428,354	1,285,860
Less those unavailable for general expenditures within one year, due to:		
Refundable advances not available for general expenditures	(39,146,505)	(42,021,222)
Contractual or donor-imposed restrictions:		
Restricted by donors with purpose and/or time restrictions	(1,718,392)	(974,414)
Board designations:		
Board-designated for specified purposes	(1,428,354)	(1,285,860)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 51,556,804</u>	<u>\$ 54,001,763</u>

Over 95% of the Organization's annual revenue is composed 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 \$10,000,000 line of credit available to meet cash flow needs if necessary.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 18. 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:

	2025	2024
Cash and cash equivalents	\$ 8,225,333	\$ 7,024,457
Investments in fixed income and equity securities	10,750,477	7,090,724
Real property	6,217,096	5,159,480
Cash surrender value of life insurance and other annuities	1,161,448	543,297
Other	4,439,085	5,317,412
	<u>\$ 30,793,439</u>	<u>\$ 25,135,370</u>

For the years ended June 30, 2025 and 2024, program service fees earned under the guardianship program were approximately \$743,000 and \$706,000, respectively, and are included in program service fees in the accompanying consolidated statements of activities.

Note 19. 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. As of June 30, 2025 and 2024, less than 1% and 6% of the Organization's employees were a part of this agreement, respectively. The collective bargaining agreement is effective through December 2027.

Note 20. Conditional Promises to Give

The Organization has conditional promises to give from grantors of approximately \$82,322,000 and \$78,795,000 as of June 30, 2025 and 2024, respectively. Future payments are contingent upon the Organization carrying out certain activities (meeting grant-imposed barriers) stipulated by the grant or contract.

Note 21. Business Acquisitions

On January 2, 2024, LSF acquired Hands of Mercy Everywhere, Inc. (HOME), a nonprofit formed for the purpose of providing a Christian home for parenting and pregnant teen moms and adolescent girls in foster care. The programs operated by HOME directly aligned with LSF's mission and allowed the Organization to expand their Florida reach.

Effective January 2, 2024, the Organization acquired substantially all the assets and assumed all the liabilities used in connection with the operations of HOME. Upon acquisition, HOME and its programs were dissolved into LSF.

Lutheran Services Florida, Inc. and Subsidiary

Notes to Consolidated Financial Statements

Note 21. Business Acquisitions (Continued)

The acquisition was deemed an inherent contribution, as HOME voluntarily transferred its assets to the Organization. No consideration was transferred by the Organization in the acquisition of HOME. The Organization has accounted for the acquisition by recording the assets acquired and liabilities assumed at fair value, resulting in an inherent contribution of approximately \$3,982,000. Acquired property and equipment and gifted land was recorded at estimated fair value based upon appraised values.

Management valued these assets based on replacement cost of comparable assets which approximates fair value or appraised values. All other assets acquired were recorded at their net realizable value at the date acquisition with approximates fair value.

Assets acquired:

Cash and cash equivalents	\$ 849,011
Accounts receivable	296,978
Property and equipment	2,841,504
Other assets	17,518
Total assets acquired	4,005,011

Liabilities assumed:

Other accrued expenses	23,026
Total liabilities assumed	23,026
Inherent contribution	\$ 3,981,985

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Government Grants and Contracts Year Ended June 30, 2025

Direct federal funding:	
U.S. Department of Health and Human Services	\$ 75,762,888
Pass-through awards of federal and state funding:	
State of Florida Department of Children and Families	267,934,212
State of Florida Department of Health	7,689,483
Children's Network of Southwest Florida, LLC	7,011,892
Family Support Services of Suncoast, LLC	8,081,883
Florida Network of Youth and Family Services, Inc.	9,432,882
Childnet, Inc.	5,508,597
Safe Children's Coalition Inc.	3,585,523
Partnership for Strong Families	1,434,951
Children's Network Hillsborough County	3,957,136
Kids Central Inc.	6,195,728
Heartland for Children	5,600,865
Citrus Health Family Care Network	1,664,355
Global Refuge	9,093,129
Voluntary Pre-Kindergarten	2,268,549
Youth Co-Op	1,706,327
Hillsborough County, State of Florida	1,901,252
State of Florida Department of Elder Affairs	1,341,345
Family Partnerships of Central Florida	523,460
State of Florida Office of Attorney General	252,292
State of Florida Department of Education	229,874
U.S. Committee for Refugees and Immigrants	100,659
University of South Florida	74,269
Hillsborough County Public Schools	77,250
Northwest Florida Health Network	20,492
Healthy Start Coalition of Hillsborough County, Inc.	962,361
	<hr/>
	346,648,716
Local and other grants and contracts:	
Children's Services Council of Palm Beach County	5,554,190
Children's Board of Hillsborough County	2,788,641
Lee County, State of Florida	414,390
Miami-Dade County	10,501
Northwest Florida Health Network - Circuit 1	297,425
Communities Connected for Kids	26,508
Kids Central Inc.	602,847
Citrus Health Family Care Network	19,188
The Children's Trust	43,865
Northwest Florida Health Network - Circuit 2	473,647
Partnership for Strong Families	63,604
Global Refuge (MOUs)	69,236
Family Support Services Suncoast, Inc.	87,183
Family Support Services of North Florida, Inc.	131,458
Jacksonville Sheriff's Office	111,518
Hernando County BOCC	22,937
Children's Network of Southwest Florida, LLC	119,711
Children's Network Hillsborough County, LLC	3,500
Kids Hope Alliance	129,291
Heartland for Children	41,061
Sarasota County, State of Florida	37,501
Childnet, Inc.	22,217
Endeavors	5,888
Other	736,252
	<hr/>
	11,812,559
Total government grants and contracts	\$ 434,224,163

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, 2024 Through June 30, 2025

State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA												
Part I: Actual Funding Sources and Revenues: Funding Sources and Revenues	Assessment	Case Management	Crisis Stabilization	Crisis Support/ Emergency	Day Care	Day Treatment	Drop-In/Self Help Center	In-Home & Onsite	Impatient	Intensive Case Management	Intervention (Indiv.)	Medical Services
	IA. State SAMH funding											
Contract EH003	\$ 1,449,927	\$ 4,960,078	\$ 21,635,712	\$ 28,858,101	\$ 168,811	\$ 1,235,923	\$ 660,758	\$ 202,572	\$ 1,078,711	\$ 108,545	\$ 1,350,242	\$ 5,994,773
Contract EH003—carryover												
Total state SAMH funding	1,449,927	4,960,078	21,635,712	28,858,101	168,811	1,235,923	660,758	202,572	1,078,711	108,545	1,350,242	5,994,773
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	\$ 1,449,927	\$ 4,960,078	\$ 21,635,712	\$ 28,858,101	\$ 168,811	\$ 1,235,923	\$ 660,758	\$ 202,572	\$ 1,078,711	\$ 108,545	\$ 1,350,242	\$ 5,994,773

(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, 2024 Through June 30, 2025

State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA												
Part I: Actual Funding Sources and Revenues: Funding Sources and Revenues	Medication-Assisted Transactions	Outpatient (Indiv.)	Outreach	Residential I	Residential II	Residential III	Residential IV	Respite Services	Impatient Detoxification	Supported Employment	Supportive Housing/ Living	TASC
	IA. State SAMH funding											
Contract EH003	\$ 5,043,526	\$ 2,821,260	\$ 6,270,689	\$ 7,595,839	\$ 25,534,180	\$ -	\$ 1,218,304	\$ 211,032	\$ 9,393,462	\$ 484,891	\$ 993,766	\$ 93,873
Contract EH003—carryover	-	-	-	-	-	-	-	-	-	-	-	-
Total state SAMH funding	5,043,526	2,821,260	6,270,689	7,595,839	25,534,180	-	1,218,304	211,032	9,393,462	484,891	993,766	93,873
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	\$ 5,043,526	\$ 2,821,260	\$ 6,270,689	\$ 7,595,839	\$ 25,534,180	\$ -	\$ 1,218,304	\$ 211,032	\$ 9,393,462	\$ 484,891	\$ 993,766	\$ 93,873

(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, 2024 Through June 30, 2025

Part I: Actual Funding Sources and Revenues: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA												
	Incidental Expenses	Aftercare (Indiv.)	Information and Referral	Outpatient Detoxification	Outpatient Group	R&B with Supplement I	R&B with Supplement II	R&B with Supplement III	Short-Term Residential	MH Clubhouse	Intervention (Group)	After (Group)	
IA. State SAMH funding													
Contract EH003	\$ 2,933,171	\$ 47,936	\$ 2,649,921	\$ -	\$ 566,888	\$ 254,899	\$ 6,694,296	\$ 1,884,162	\$ -	\$ 909,536	\$ 193,528	\$ 18,434	
Contract EH003—carryover	-	-	-	-	-	-	-	-	-	-	-	-	
Total state SAMH funding	2,933,171	47,936	2,649,921	-	566,888	254,899	6,694,296	1,884,162	-	909,536	193,528	18,434	
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	\$ 2,933,171	\$ 47,936	\$ 2,649,921	\$ -	\$ 566,888	\$ 254,899	\$ 6,694,296	\$ 1,884,162	\$ -	\$ 909,536	\$ 193,528	\$ 18,434	

(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, 2024 Through June 30, 2025

Part I: Actual Funding Sources and Revenues: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA																									
	CCST (Indiv)	CCST (Group)	Recovery Support (Indiv.)	Recovery Support (Group)	Prevention- Indicated	Prevention- Selective	Prevention- Universal Direct	Prevention- Universal Indirect	Care Coordination	HIV Early Intervention Services	R&B with Sup IV	Forensic Multidisciplinary Team	BNET													
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$													
IA. State SAMH funding																										
Contract EH003	\$	-	\$	627,361	\$	37,934	\$	248,003	\$	190,645	\$	2,749,202	\$	4,526,411	\$	694,348	\$	186,148	\$	542,764	\$	2,706,282	\$	846,764		
Contract EH003—carryover	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total state SAMH funding	-	-	-	627,361	-	37,934	-	248,003	-	190,645	-	2,749,202	-	4,526,411	-	694,348	-	186,148	-	542,764	-	2,706,282	-	846,764		
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	\$	-	\$	-	\$	627,361	\$	37,934	\$	248,003	\$	190,645	\$	2,749,202	\$	4,526,411	\$	694,348	\$	186,148	\$	542,764	\$	2,706,282	\$	846,764

(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, 2024 Through June 30, 2025

Part I: Actual Funding Sources and Revenues: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA									
	FIT Team	Central Receiving System	First Episode Team	Self-Directed Care	Federal Project Grant	Local		Disaster Behavioral Health	Network	Evaluation and Development
						Diversion	Forensic Project			
						Local Diversion	Forensic Project			
IA. State SAMH funding										
Contract EH003	\$ 3,685,894	\$ 1,876,356	\$ 1,894,943	\$ -	\$ 6,347,874	\$ 150,418	\$ 958,059	\$ 193,597	\$ 128,784	
Contract EH003—carryover	-	-	-	-	-	-	-	-	-	
Total state SAMH funding	3,685,894	1,876,356	1,894,943	-	6,347,874	150,418	958,059	193,597	128,784	
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	\$ 3,685,894	\$ 1,876,356	\$ 1,894,943	\$ -	\$ 6,347,874	\$ 150,418	\$ 958,059	\$ 193,597	\$ 128,784	

(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, 2024 Through June 30, 2025

State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA															
Part I: Actual Funding Sources and Revenues: Funding Sources and Revenues	Community Action Treatment (CAT) Teams for Ages 0-10													Multi- Disciplinary Teams	Total for AMH/CMH/ ASA/CSA
	Cost Reimbursement	CAT Team	FACT Team	Provider Proviso Projects	Wraparound Projects	FFPSA Training Projects	LATTERS Projects	Other Bundled Projects	Sustainability Payment						
IA. State SAMH funding															
Contract EH003	\$ 8,575,505	\$ 12,375,000	\$ 4,724,480	\$ 2,999,359	\$ 134,965	\$ 1,218,305	\$ 1,462,259	\$ 29,692,317	\$ -	\$ -	\$ -	\$ 430,923	\$ 233,722,646		
Contract EH003—carryover	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total state SAMH funding	8,575,505	12,375,000	4,724,480	2,999,359	134,965	1,218,305	1,462,259	29,692,317	-	-	-	430,923	233,722,646		
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	\$ 8,575,505	\$ 12,375,000	\$ 4,724,480	\$ 2,999,359	\$ 134,965	\$ 1,218,305	\$ 1,462,259	\$ 29,692,317	\$ -	\$ -	\$ -	\$ 430,923	\$ 233,722,646		

(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, 2024 Through June 30, 2025

Part I: Actual Funding Sources and Revenues:	ME Administrative Services	Total for State SAMH-Funded Cost Centers	Total for Non- State-Funded SAMH Cost Centers	Total for all State Designated SAMH-Funded Cost Centers			Total Funding
				Non-SAMH Cost Centers	Total		
Funding Sources and Revenues							
IA. State SAMH funding							
Contract EH003	\$ 5,810,003	\$ 233,722,646	\$ -	\$ 239,532,649	\$ -	\$ 239,532,649	
Contract EH003—carryover	-	14,617,236	-	14,617,236	-	14,617,236	
Total state SAMH funding	5,810,003	248,339,882	-	254,149,885	-	254,149,885	
IB. Other government funding							
(1) Other state agency funding	-	-	-	-	-	19,521,769	19,521,769
(2) Medicaid	-	-	-	-	-	-	-
(3) Local government	-	-	-	-	-	11,812,560	11,812,560
(4) Federal grants and contracts	-	-	-	-	-	148,740,359	148,740,359
(5) In-kind from local government only	-	-	-	-	-	-	-
Total other government funding	-	-	-	-	-	180,074,688	180,074,688
IC. All other revenues							
(1) First and second party payments	-	-	-	-	-	1,132,800	1,132,800
(2) Third-party payments (except Medicare)	-	-	-	-	-	-	-
(3) Medicare	-	-	-	-	-	-	-
(4) Contributions and donations	-	-	-	-	-	5,998,123	5,998,123
(5) Other	-	-	-	-	-	1,842,272	1,842,272
(6) Refunds	-	-	-	-	-	-	-
(7) In-kind	-	-	-	-	-	9,018,423	9,018,423
Total all other revenues	-	-	-	-	-	17,991,618	17,991,618
Total funding	\$ 5,810,003	\$ 248,339,882	\$ -	\$ 254,149,885	\$ 198,066,306	\$ 452,216,191	

(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, 2024 Through June 30, 2025

Part II: Actual Expenses: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA											
	Assessment	Case Management	Crisis Stabilization	Crisis Support/ Emergency	Day Care	Day Treatment	Drop-In/Self Help Center	In-Home & Onsite	Impatient	Intensive Case Management	Intervention (Indiv.)	Medical Services
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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:												
From northeast region	1,449,927	4,960,078	21,635,712	28,858,101	168,811	1,235,923	660,758	202,572	1,078,711	108,545	1,350,242	5,994,773
Other	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	-	-	-
(9) Interest paid	-	-	-	-	-	-	-	-	-	-	-	-
(10) Operating supplies and expenses	-	-	-	-	-	-	-	-	-	-	-	-
(11) Other	-	-	-	-	-	-	-	-	-	-	-	-
(12) Donated items	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	1,449,927	4,960,078	21,635,712	28,858,101	168,811	1,235,923	660,758	202,572	1,078,711	108,545	1,350,242	5,994,773
Total personnel and other expenses	1,449,927	4,960,078	21,635,712	28,858,101	168,811	1,235,923	660,758	202,572	1,078,711	108,545	1,350,242	5,994,773
IIC. Distributed indirect costs												
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-	-	-
(b) Administration	-	-	-	-	-	-	-	-	-	-	-	-
Total distributed indirect costs	-	-	-	-	-	-	-	-	-	-	-	-
Total actual operating expenses	1,449,927	4,960,078	21,635,712	28,858,101	168,811	1,235,923	660,758	202,572	1,078,711	108,545	1,350,242	5,994,773
IID. Unallowable costs	-	-	-	-	-	-	-	-	-	-	-	-
Total allowable operating expenses	\$ 1,449,927	\$ 4,960,078	\$ 21,635,712	\$ 28,858,101	\$ 168,811	\$ 1,235,923	\$ 660,758	\$ 202,572	\$ 1,078,711	\$ 108,545	\$ 1,350,242	\$ 5,994,773
IIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2024 Through June 30, 2025

State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA												
Part II: Actual Expenses: Funding Sources and Revenues	Medication-Assisted Transactions	Outpatient (Indiv.)	Outreach	Residential I	Residential II	Residential III	Residential IV	Respite Services	Impatient Detoxification	Supported Employment	Supportive Housing/ Living	TASC
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:												
From northeast region	5,043,526	2,821,260	6,270,689	7,595,839	25,534,180	-	1,218,304	211,032	9,393,462	484,891	993,766	93,873
Other	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	-	-	-
(9) Interest paid	-	-	-	-	-	-	-	-	-	-	-	-
(10) Operating supplies and expenses	-	-	-	-	-	-	-	-	-	-	-	-
(11) Other	-	-	-	-	-	-	-	-	-	-	-	-
(12) Donated items	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	5,043,526	2,821,260	6,270,689	7,595,839	25,534,180	-	1,218,304	211,032	9,393,462	484,891	993,766	93,873
Total personnel and other expenses	5,043,526	2,821,260	6,270,689	7,595,839	25,534,180	-	1,218,304	211,032	9,393,462	484,891	993,766	93,873
IIC. Distributed indirect costs												
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-	-	-
(b) Administration	-	-	-	-	-	-	-	-	-	-	-	-
Total distributed indirect costs	-	-	-	-	-	-	-	-	-	-	-	-
Total actual operating expenses	5,043,526	2,821,260	6,270,689	7,595,839	25,534,180	-	1,218,304	211,032	9,393,462	484,891	993,766	93,873
IID. Unallowable costs												
Total allowable operating expenses	\$ 5,043,526	\$ 2,821,260	\$ 6,270,689	\$ 7,595,839	\$ 25,534,180	\$ -	\$ 1,218,304	\$ 211,032	\$ 9,393,462	\$ 484,891	\$ 993,766	\$ 93,873
IIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2024 Through June 30, 2025

Part II: Actual Expenses: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA											
	Incidental Expenses	Aftercare (Indiv.)	Information and Referral	Outpatient Detoxification	Outpatient Group	R&B with Supplement I	R&B with Supplement II	R&B with Supplement III	Short-Term Residential	MH Clubhouse	Intervention (Group)	After (Group)
	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$	\$ - \$
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:												
From northeast region	2,933,171	47,936	2,649,921	-	566,888	254,899	6,694,296	1,884,162	-	909,536	193,528	18,434
Other	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	-	-	-
(9) Interest paid	-	-	-	-	-	-	-	-	-	-	-	-
(10) Operating supplies and expenses	-	-	-	-	-	-	-	-	-	-	-	-
(11) Other	-	-	-	-	-	-	-	-	-	-	-	-
(12) Donated items	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	2,933,171	47,936	2,649,921	-	566,888	254,899	6,694,296	1,884,162	-	909,536	193,528	18,434
Total personnel and other expenses	2,933,171	47,936	2,649,921	-	566,888	254,899	6,694,296	1,884,162	-	909,536	193,528	18,434
IIC. Distributed indirect costs												
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-	-	-
(b) Administration	-	-	-	-	-	-	-	-	-	-	-	-
Total distributed indirect costs	-	-	-	-	-	-	-	-	-	-	-	-
Total actual operating expenses	2,933,171	47,936	2,649,921	-	566,888	254,899	6,694,296	1,884,162	-	909,536	193,528	18,434
IID. Unallowable costs												
Total allowable operating expenses	\$ 2,933,171	\$ 47,936	\$ 2,649,921	\$ -	\$ 566,888	\$ 254,899	\$ 6,694,296	\$ 1,884,162	\$ -	\$ 909,536	\$ 193,528	\$ 18,434
IIIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2024 Through June 30, 2025

Part II: Actual Expenses: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA											
	CCST (Indiv)	CCST (Group)	Recovery Support (Indiv.)	Recovery Support (Group)	Prevention- Indicated	Prevention- Selective	Prevention- Universal Direct	Prevention- Universal Indirect	Care Coordination	HIV Early Intervention Services	R&B With Sup. IV	Forensic Multidisciplinary Team
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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:												
From northeast region	-	-	627,361	37,934	248,003	190,645	2,749,202	4,526,411	694,348	186,148	542,764	2,706,282
Other	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	-	-	-
(9) Interest paid	-	-	-	-	-	-	-	-	-	-	-	-
(10) Operating supplies and expenses	-	-	-	-	-	-	-	-	-	-	-	-
(11) Other	-	-	-	-	-	-	-	-	-	-	-	-
(12) Donated items	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	-	-	627,361	37,934	248,003	190,645	2,749,202	4,526,411	694,348	186,148	542,764	2,706,282
Total personnel and other expenses	-	-	627,361	37,934	248,003	190,645	2,749,202	4,526,411	694,348	186,148	542,764	2,706,282
IIC. Distributed indirect costs												
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-	-	-
(b) Administration	-	-	-	-	-	-	-	-	-	-	-	-
Total distributed indirect costs	-	-	-	-	-	-	-	-	-	-	-	-
Total actual operating expenses	-	-	627,361	37,934	248,003	190,645	2,749,202	4,526,411	694,348	186,148	542,764	2,706,282
IID. Unallowable costs												
Total allowable operating expenses	\$ -	\$ -	\$ 627,361	\$ 37,934	\$ 248,003	\$ 190,645	\$ 2,749,202	\$ 4,526,411	\$ 694,348	\$ 186,148	\$ 542,764	\$ 2,706,282
IIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2024 Through June 30, 2025

State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA										
Part II: Actual Expenses: Funding Sources and Revenues	FIT Team	Central Receiving System	First Episode Team	Self-Directed Care	Federal Project Grant	Local				
						Diversion Project	Forensic Project	Disaster Health	Network Evaluation and Development	Transition Voucher
IIA. Personnel expenses										
(1) Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Fringe benefits	-	-	-	-	-	-	-	-	-	-
Total personnel expenses	-	-	-	-	-	-	-	-	-	-
IIIB. Other expenses										
(1) Building occupancy	-	-	-	-	-	-	-	-	-	-
(2) Professional services	-	-	-	-	-	-	-	-	-	-
(3) Travel	-	-	-	-	-	-	-	-	-	-
(4) Equipment	-	-	-	-	-	-	-	-	-	-
(5) Food services	-	-	-	-	-	-	-	-	-	-
(6) Medical and pharmacy	-	-	-	-	-	-	-	-	-	-
(7) Subcontracted services:										
From northeast region	3,685,894	1,876,356	1,894,943	-	6,347,874	150,418	958,059	193,597	128,784	
Other	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	-
(9) Interest paid	-	-	-	-	-	-	-	-	-	-
(10) Operating supplies and expenses	-	-	-	-	-	-	-	-	-	-
(11) Other	-	-	-	-	-	-	-	-	-	-
(12) Donated items	-	-	-	-	-	-	-	-	-	-
Total other expenses	3,685,894	1,876,356	1,894,943	-	6,347,874	150,418	958,059	193,597	128,784	
Total personnel and other expenses	3,685,894	1,876,356	1,894,943	-	6,347,874	150,418	958,059	193,597	128,784	
IIIC. Distributed indirect costs										
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-
(b) Administration	-	-	-	-	-	-	-	-	-	-
Total distributed indirect costs	-	-	-	-	-	-	-	-	-	-
Total actual operating expenses	3,685,894	1,876,356	1,894,943	-	6,347,874	150,418	958,059	193,597	128,784	
IID. Unallowable costs	-	-	-	-	-	-	-	-	-	-
Total allowable operating expenses	\$ 3,685,894	\$ 1,876,356	\$ 1,894,943	\$ -	\$ 6,347,874	\$ 150,418	\$ 958,059	\$ 193,597	\$ 128,784	
IIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2024 Through June 30, 2025

Part II: Actual Expenses: Funding Sources and Revenues	State-Designated SAMH Cost Centers State SAMH-Funded Cost Centers AMH/CMH/ASA/CSA										Community Action Treatment (CAT) Teams for Ages 0-10	Multi- Disciplinary Child Welfare Teams	Total for AMH/CMH ASA/CSA
	Cost Reimbursement	CAT Team	FACT Team	Provider Proviso Projects	Wraparound Projects	FFPSA Training Projects	LATTERS Projects	Other Bundled Projects	Sustainability Payment				
IIA. Personnel expenses													
(1) Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Fringe benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Total personnel expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
IIIB. Other expenses													
(1) Building occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-
(2) Professional services	-	-	-	-	-	-	-	-	-	-	-	-	-
(3) Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
(4) Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
(5) Food services	-	-	-	-	-	-	-	-	-	-	-	-	-
(6) Medical and pharmacy	-	-	-	-	-	-	-	-	-	-	-	-	-
(7) Subcontracted services													
From northeast region	8,575,505	12,375,000	4,724,480	2,999,359	134,965	1,218,305	1,462,259	29,692,317	-	-	430,923	233,722,646	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
(8) Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
(9) Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-
(10) Operating supplies and expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
(11) Other	-	-	-	-	-	-	-	-	-	-	-	-	-
(12) Donated items	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other expenses	8,575,505	12,375,000	4,724,480	2,999,359	134,965	1,218,305	1,462,259	29,692,317	-	-	430,923	233,722,646	
Total personnel and other expenses	8,575,505	12,375,000	4,724,480	2,999,359	134,965	1,218,305	1,462,259	29,692,317	-	-	430,923	233,722,646	
IIC. Distributed indirect costs													
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Administration	-	-	-	-	-	-	-	-	-	-	-	-	-
Total distributed indirect costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total actual operating expenses	8,575,505	12,375,000	4,724,480	2,999,359	134,965	1,218,305	1,462,259	29,692,317	-	-	430,923	233,722,646	
IID. Unallowable costs													
Total allowable operating expenses	\$ 8,575,505	\$ 12,375,000	\$ 4,724,480	\$ 2,999,359	\$ 134,965	\$ 1,218,305	\$ 1,462,259	\$ 29,692,317	\$ -	\$ -	\$ 430,923	\$ 233,722,646	
IIIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2024 Through June 30, 2025

Part II: Actual Expenses: Funding Sources and Revenues	ME		Total for Non- State-Funded SAMH Cost		Total for all State Designated SAMH-Funded		Non-SAMH Cost Centers		Administration		Total Expenses	
	Administrative Services		Total for State SAMH-Funded Cost Centers		SAMH Cost Centers		Cost Centers		Administration		Advancement	
	Services	Carryforward	Cost Centers	Cost Centers	Cost Centers	Cost Centers	Cost Centers	Cost Centers	Administration	Advancement	Administration	Advancement
IIA. Personnel expenses												
(1) Salaries	\$ 3,627,660	\$ -	\$ 3,627,660	\$ -	\$ 3,627,660	\$ 85,599,125	\$ 8,071,154	\$ 402,583	\$ 97,700,522			
(2) Fringe benefits	784,449	-	784,449	-	784,449	21,044,118	1,637,899	120,305	23,586,771			
Total personnel expenses	4,412,109	-	4,412,109	-	4,412,109	106,643,243	9,709,053	522,888	121,287,293			
IIB. Other expenses												
(1) Building occupancy	265,705	-	265,705	-	265,705	11,667,986	279,445	8,911	12,222,047			
(2) Professional services	62,548	-	62,548	-	62,548	5,053,561	921,188	57,809	6,095,106			
(3) Travel	47,624	-	47,624	-	47,624	3,198,447	298,910	26,902	3,571,883			
(4) Equipment	251,339	-	251,339	-	251,339	6,664,367	732,472	21,191	7,669,369			
(5) Food services	-	-	-	-	-	3,473,906	-	-	3,473,906			
(6) Medical and pharmacy	-	-	-	-	-	-	-	-	-			
(7) Subcontracted services												
From northeast region	-	14,588,493	248,311,139	-	248,311,139	20,907,875	-	-	269,219,014			
Other	-	-	-	-	-	-	-	-	-			
(8) Insurance	45,951	-	45,951	-	45,951	2,991,360	134,425	3,636	3,175,372			
(9) Interest paid	-	-	-	-	-	62,303	77,363	-	139,666			
(10) Operating supplies and expenses	28,181	-	28,181	-	28,181	18,917,017	374,752	25,495	19,345,445			
(11) Other	76,297	-	76,297	-	76,297	608,739	193,064	12,062	890,162			
(12) Donated items	-	-	-	-	-	-	-	-	-			
Total other expenses	777,645	14,588,493	249,088,784	-	249,088,784	73,545,561	3,011,619	156,006	325,801,970			
Total personnel and other expenses	5,189,754	14,588,493	253,500,893	-	253,500,893	180,188,804	12,720,672	678,894	447,089,263			
IIC. Distributed indirect costs												
(a) Other support costs (optional)	-	-	-	-	-	-	-	-	-			
(b) Administration	621,008	-	621,008	-	621,008	12,040,363	(12,720,677)	59,306	-			
Total distributed indirect costs	621,008	-	621,008	-	621,008	12,040,363	(12,720,677)	59,306	-			
Total actual operating expenses	5,810,762	14,588,493	254,121,901	-	254,121,901	192,229,167	(5)	738,200	447,089,263			
IID. Unallowable costs	-	-	-	-	-	-	91,273	10,753	442	102,468		
Total allowable operating expenses	\$ 5,810,762	\$ 14,588,493	\$ 254,121,901	\$ -	\$ 254,121,901	\$ 192,137,894	\$ (10,758)	\$ 737,758	\$ 446,986,795			
IIE. Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,174,416	\$ -	\$ -	\$ -	\$ 5,174,416		

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, 2025

This schedule does not apply for the year ended June 30, 2025.

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, 2025

This schedule does not apply for the year ended June 30, 2025.

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, 2025

This schedule does not apply for the year ended June 30, 2025.

**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, 2025, 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 February 6, 2026.

Report on 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Tampa, Florida
February 6, 2026

**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 identified as subject to audit 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, 2025. 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, 2025.

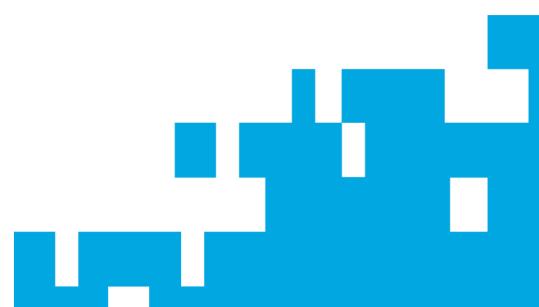
Basis for Opinion on Each Major Federal Program and State Financial Assistance Project

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 and 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 US LLP

Tampa, Florida
February 6, 2026

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number or Direct Award Contract Number	Provided to Subrecipients	Total Expenditures
U.S. Department of Agriculture:				
Passed-through from Florida Department of Health:				
Child and Adult Care Food Program	10.558	S-121	\$ -	\$ 2,255,211
Child and Adult Care Food Program	10.558	D-154	-	5,124,258
Child and Adult Care Food Program	10.558	H-3654	-	43,615
Child and Adult Care Food Program	10.558	H-3110	-	13,220
Child and Adult Care Food Program	10.558	H-3365	-	70,168
Child and Adult Care Food Program	10.558	H-3109	-	29,602
Subtotal—U.S. Department of Agriculture				7,536,074
U.S. Department of Justice:				
Passed-through from State of Florida Office of Attorney General:				
Crime Victim Assistance	16.575	VOCA-2023-LSF-00080	-	75,091
Crime Victim Assistance	16.575	VOCA-2024-LSF-00114	-	177,201
Subtotal—U.S. Department of Justice				252,292
U.S. Department of State:				
Passed-through from Global Refuge				
U.S. Refugee Admissions Program	19.510	SPRMCO23CA0363 / 323-24-03	-	891,800
U.S. Refugee Admissions Program	19.510	SPRMCO24CA0340 / 323-25-01	-	623,530
U.S. Refugee Admissions Program	19.510	SPRMCO23CA0364 / 323A-24-01	-	142,988
U.S. Refugee Admissions Program	19.510	SPRMCO24CA0341 / 323A-25-00	-	35,709
Subtotal—U.S. Department of State				1,694,027
U.S. Department of Homeland Security:				
Passed-through from Hillsborough County Public Schools:				
Citizenship Education and Training	97.010	20CICET00157	-	77,250
Passed-through from State of Florida Department of Children and Families:				
Crisis Counseling	97.032	EH003	508,209	508,497
Subtotal—U.S. Department of Homeland Security			508,209	585,747
U.S. Department of Health and Human Services:				
Substance Abuse and Mental Health Services Projects of				
Regional and National Significance	93.243	H79SM085037	369,696	516,142
Substance Abuse and Mental Health Services Projects of				
Regional and National Significance	93.243	H79TI083610	-	640,424
Substance Abuse and Mental Health Services Projects of				
Regional and National Significance	93.243	H79SM088567	162,970	439,625
Substance Abuse and Mental Health Services Projects of				
Regional and National Significance	93.243	H79TI084098	803,844	1,086,497
Mental and Behavioral Health Education				
and Training Grants	93.732	T26HP39448	71,901	599,575
Basic Center Grant	93.623	90CY6957	-	237,476
Basic Center Grant	93.623	90CY6962	-	218,557
Basic Center Grant	93.623	90CY7365	-	18,633
Basic Center Grant	93.623	90CY7584	-	214,197
Basic Center Grant	93.623	90CY7679	-	105,908
Education and Prevention Grants to Reduce Sexual Abuse of				
Runaway, Homeless and Street Youth	93.557	90YO2452	-	142,678
Education and Prevention Grants to Reduce Sexual Abuse of				
Runaway, Homeless and Street Youth	93.557	90YO2591	-	57,524
Unaccompanied Children Program	93.676	90ZU0550-02	-	6,999,111
Unaccompanied Children Program	93.676	90ZU0550-03	-	2,136,689
Refugee and Entrant Assistance Discretionary Grants	93.576	90ZZ0023	-	996,710
Head Start Cluster: COVID-19: Head Start	93.600	04HE000622-02C5 - CRRSA	-	3
Head Start Cluster: Head Start	93.600	04CH010628-06	-	421,050
Head Start Cluster: Head Start	93.600	04CH010628-07	118,179	1,195,928
Head Start Cluster: Head Start	93.600	04CH012802-01	1,760,515	12,633,871
Head Start Cluster: Head Start	93.600	04CH012802-02	544,040	4,350,453
Head Start Cluster: Head Start	93.600	04CH011190-06	2,004,970	13,963,411
Head Start Cluster: Head Start	93.600	04HP000259-06	545,326	1,371,426
Head Start Cluster: Head Start	93.600	04HP000656-01	197,185	393,034
Head Start Cluster: Head Start	93.600	04CH011690-05	6,116,565	17,793,665
Head Start Cluster: Head Start	93.600	04CH011690-06	2,748,010	6,294,177
Head Start Cluster: Head Start	93.600	04CH012861-01	-	2,149,672
Head Start Cluster: Head Start	93.600	04CH012861-02	-	786,452
Passed-through from Hillsborough County, State of Florida:				
Head Start Cluster: Head Start	93.600	19-1169	309,231	508,491
Head Start Cluster: Head Start	93.600	24-1112	884,243	1,392,762

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number or Direct Award Contract Number	Provided to Subrecipients	Total Expenditures
<i>Passed-through from Florida Network of Youth and Family Services, Inc.:</i>				
Basic Center Grant	93.623	RHY-PDP	\$ -	\$ 344,334
<i>Passed-through from State of Florida Department of Children and Families:</i>				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	LK208	-	3,959,774
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	LK205	450,070	8,355,111
<i>Passed-through from Youth Co-Op, Inc.:</i>				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	XK063LSF	-	1,706,327
<i>Passed-through from Global Refuge:</i>				
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	2402MDRVMG / 342-24-01	-	3,260,404
Refugee and Entrant Assistance Voluntary Agency Programs	93.567	2502MDRVMG / 342-25-00	-	764,661
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-02-03 / 354-24-01	-	22,693
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-04 / 354-25-00	-	103,158
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-02-03/354-24-01	-	1,161,907
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-04/354-25-00	-	343,133
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-04/354-24-00AFG	-	732,016
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-03/354-24-01UKR	-	114,414
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0124-04/354-25-00	-	128,934
Unaccompanied Children Program	93.676	90ZU0521-02/358-24-00	-	236,321
Unaccompanied Children Program	93.676	90ZU0521-03/358-25-00	-	14,214
Unaccompanied Children Program	93.676	90ZU0439-03 / 358C-24-00	-	31,671
Unaccompanied Children Program	93.676	90ZU0622-01/357-24-00	-	357,285
Unaccompanied Children Program	93.676	90ZU0622-02/357-25-00	-	128,290
<i>Passed-through from U.S. Committee for Refugees and Immigrants:</i>				
Services to Victims of a Severe Form of Trafficking	93.598	Unknown	-	85,678
Services to Victims of a Severe Form of Trafficking	93.598	Unknown	-	14,981
<i>Passed-through from State of Florida Department of Children and Families:</i>				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	EH003	550,016	774,223
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	EH003	891,407	891,913
Temporary Assistance for Needy Families	93.558	EH003	2,134,722	2,170,247
Children's Health Insurance Program	93.767	EH003	846,764	912,336
Medicaid Cluster: Medical Assistance Program	93.778	EH003	-	17,882
Opioid STR	93.788	EH003	21,579,370	22,098,844
Block Grants for Community Mental Health Services	93.958	EH003	16,452,582	16,452,582
Block Grants for Prevention and Treatment of Substance Abuse	93.959	EH003	24,724,495	24,724,495
Mental Health Disaster Assistance and Emergency Mental Health	93.982	EH003	449,850	450,106
Block Grants for Community Mental Health Services	93.958	LH844	1,020,497	1,469,851
<i>Passed-through from University of South Florida:</i>				
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	5112-5527-03-B - 90ZB0024	-	74,269
<i>Passed-through Family Support Services of Suncoast:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	FSS-LSF-CMO-FY27	7,348	227,123
Temporary Assistance for Needy Families	93.558	FSS-LSF-CMO-FY27	38,103	1,177,725
Stephanie Tubbs Jones Child Welfare Services Programs	93.645	FSS-LSF-CMO-FY27	5,644	174,450
Foster Care Title IV-E	93.658	FSS-LSF-CMO-FY27	27,740	857,430
Adoption Assistance	93.659	FSS-LSF-CMO-FY27	17,451	539,401
Social Services Block Grant	93.667	FSS-LSF-CMO-FY27	10,656	329,357
Child Abuse and Neglect State Grants	93.669	FSS-LSF-CMO-FY27	515	15,908
Medicaid Cluster: Medical Assistance Program	93.778	FSS-LSF-CMO-FY27	254	7,849
<i>Passed-through from Heartland for Children:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	TLSCM1	-	13,579
Temporary Assistance for Needy Families	93.558	TLSCM1	-	1,356,283
Stephanie Tubbs Jones Child Welfare Services Program	93.645	TLSCM1	-	159,070
Foster Care Title IV-E	93.658	TLSCM1	-	1,035,762
Adoption Assistance	93.659	TLSCM1	-	328,367
Social Services Block Grant	93.667	TLSCM1	-	2,468
Child Abuse and Neglect State Grants	93.669	TLSCM1	-	195
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	TLSCM1	-	100,898
<i>Passed-through Kids Central, Inc.:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	C2324-CMA-LS184	-	175,322
Temporary Assistance for Needy Families	93.558	C2324-CMA-LS184	-	1,187,308
Grants to States for Access and Visitation Programs	93.597	C2324-CMA-LS184	-	7,854
Stephanie Tubbs Jones Child Welfare Services Program	93.645	C2324-CMA-LS184	-	179,755
Foster Care Title IV-E	93.658	C2324-CMA-LS184	-	875,827
Adoption Assistance	93.659	C2324-CMA-LS184	-	213,795
Social Services Block Grant	93.667	C2324-CMA-LS184	-	124,780
Medicaid Cluster: Medical Assistance Program	93.778	C2324-CMA-LS184	-	40,983

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number or Direct Award Contract Number	Provided to Subrecipients	Total Expenditures
<i>Passed-through from Children's Network of Southwest Florida, LLC:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	ABW21	\$ -	\$ 19,717
MaryLee Allen Promoting Safe and Stable Families Program	93.556	BBW25	-	5,854
Temporary Assistance for Needy Families	93.558	ABW21	-	1,014,584
Temporary Assistance for Needy Families	93.558	BBW25	-	301,209
Stephanie Tubbs Jones Child Welfare Services Program	93.645	ABW21	-	154,455
Stephanie Tubbs Jones Child Welfare Services Program	93.645	BBW25	-	45,854
Foster Care Title IV-E	93.658	ABW21	-	819,444
Foster Care Title IV-E	93.658	BBW25	-	225,377
Foster Care Title IV-E	93.658	WBV01	-	25,472
Adoption Assistance	93.659	ABW21	-	113,117
Adoption Assistance	93.659	BBW25	-	30,898
Adoption Assistance	93.659	WBV01	-	205
Social Securities Block Grant	93.667	ABW21	-	113,423
Social Securities Block Grant	93.667	BBW25	-	32,672
Child Abuse and Neglect State Grants	93.669	ABW21	-	262
Medicaid Cluster: Medical Assistance Program	93.778	ABW21	-	6,949
Medicaid Cluster: Medical Assistance Program	93.778	BBW25	-	2,063
<i>Passed-through from Children's Network of Hillsborough County:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	ABA06	-	15,871
Temporary Assistance for Needy Families	93.558	ABA06	-	816,694
Stephanie Tubbs Jones Child Welfare Services Program	93.645	ABA06	-	124,330
Foster Care Title IV-E	93.658	ABA06	-	611,254
Adoption Assistance	93.659	ABA06	-	83,776
Social Securities Block Grant	93.667	ABA06	-	88,588
Medicaid Cluster: Medical Assistance Program	93.778	ABA06	-	5,594
<i>Passed-through from Childnet, Inc.:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	LSF22RGC	-	268,709
Foster Care Title IV-E	93.658	LSF23RGC	-	325,779
Foster Care Title IV-E	93.658	LSF23PIL	-	98,809
Foster Care Title IV-E	93.658	LSF23SHL	-	97,060
Foster Care Title IV-E	93.658	LSF23OAK	-	193,000
Foster Care Title IV-E	93.658	Unknown	-	8,590
Adoption Assistance	93.659	LSF23RGC	-	253
Adoption Assistance	93.659	LSF23PIL	-	47
Adoption Assistance	93.659	LSF23OAK	-	383
<i>Passed-through from Partnership for Strong Families:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	PCM781	-	5,833
Temporary Assistance for Needy Families	93.558	PCM781	-	300,100
Stephanie Tubbs Jones Child Welfare Services Program	93.645	PCM781	-	45,685
Foster Care Title IV-E	93.658	PCM781	-	224,547
Adoption Assistance	93.659	PCM781	-	30,784
Social Securities Block Grant	93.667	PCM781	-	32,551
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	PCM781	-	674
Medicaid Cluster: Medical Assistance Program	93.778	PCM781	-	2,056
<i>Passed-through from Safe Children Coalition, Inc.:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	LSFCM24	-	13,778
Temporary Assistance for Needy Families	93.558	LSFCM24	-	713,331
Stephanie Tubbs Jones Child Welfare Services Program	93.645	LSFCM24	-	107,930
Foster Care Title IV-E	93.658	LSFCM24	-	536,973
Adoption Assistance	93.659	LSFCM24	-	72,726
Social Securities Block Grant	93.667	LSFCM24	-	76,902
Medicaid Cluster: Medical Assistance Program	93.778	LSFCM24	-	4,856
<i>Passed-through from Citrus Health Family Care Network</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	Unknown	-	78,925
Foster Care Title IV-E	93.658	Unknown	-	62,517
<i>Passed-through from Family Partnerships of Central Florida</i>				
Foster Care Title IV-E	93.658	Unknown	-	14,701
<i>Passed-through from Healthy Start Coalition of Hillsborough County, Inc.</i>				
Medicaid Cluster: Medical Assistance Program	93.778	LSF_COSHUGFA089-01	-	397,061
Maternal and Child Health Services Block Grant to the States	93.994	LSF_COSHUGFA089-01	-	38,856
Subtotal—U.S. Department of Health and Human Services			86,352,368	187,108,762
Total expenditures of federal awards			86,860,577	197,176,902

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued) Year Ended June 30, 2025

State Grantor/Pass-Through Grantor/Project	State CSFA Number	Contract Number	Provided to Subrecipients	Total Expenditures
Department of Children and Families:				
Forensic Services and Competency Restoration Training	60.114	EH003	\$ 5,284,221	\$ 5,306,611
Substance Abuse and Mental Health—Community Services	60.153	EH003	5,230,662	5,230,662
Substance Abuse and Mental Health—Crisis Prevention and Stabilization Services	60.155	EH003	4,059,652	4,258,477
Centralized Receiving Systems	60.163	EH003	19,028,645	20,809,378
SAMH ME State Funded Federal Excluded Services	60.190	EH003	868,182	1,225,149
State Opioid Settlement Trust Fund Services	60.355	EH003	20,430,323	26,317,155
<i>Passed-through from Heartland for Children:</i>				
Out-Of-Home Supports	60.074	TLSCM1	-	64,654
<i>Passed-through from Kids Central Inc.:</i>				
Out-Of-Home Supports	60.074	C2324-CMA-LS184	-	97,163
Family Finders Program	60.206	C2324-CMA-LS184	-	59,339
Early Childhood Court Case Management & Prevention Services	60.225	C2324-CMA-LS184	-	6,913
<i>Passed-through from Childnet, Inc.:</i>				
Out-Of-Home Supports	60.074	LSF23RGC	-	2,675,105
Out-Of-Home Supports	60.074	LSF23PIL	-	431,053
Out-Of-Home Supports	60.074	LSF22SHL	-	539,429
Out-Of-Home Supports	60.074	LSF23OAK	-	272,377
Out-Of-Home Supports	60.074	Unknown	-	30,989
<i>Passed-through from Children's Network Hillsborough County:</i>				
Out-Of-Home Supports	60.074	ABA06	-	888
Out-Of-Home Supports	60.074	Unknown	-	58,849
<i>Passed-through from Family Partnerships of Central Florida</i>				
Out-Of-Home Supports	60.074	Unknown	-	494,188
Extended Foster Care Program	60.141	Unknown	-	3,557
<i>Passed-through from Northwest Florida Health Network</i>				
CBC - Purchase of Therapeutic Services for Children	60.183	A0935	-	20,492
<i>Passed-through from Children's Network of Southwest Florida, LLC:</i>				
CBC - Purchase of Therapeutic Services for Children	60.183	WBV01	-	208,971
<i>Passed-through from Citrus Health Family Care Network:</i>				
Out-Of-Home Supports	60.074	Unknown	-	1,476,077
Subtotal—Department of Children and Families			54,901,685	69,587,476
Department of Education:				
School and Instructional Enhancement Programs	48.040	87B-90655-5Q001	-	229,874
<i>Passed-through from Early Learning Coalition of Pinellas County, Inc.:</i>				
Voluntary Pre-Kindergarten Education Program	48.108	Unknown	-	530,663
<i>Passed-through from Early Learning Coalition of Palm Beach County, Inc.:</i>				
Voluntary Pre-Kindergarten Education Program	48.108	Unknown	-	1,224,641
<i>Passed-through from the Early Learning Coalition of Duval, Inc.:</i>				
Voluntary Pre-Kindergarten Education Program	48.108	Unknown	-	513,245
Subtotal—Department of Education			-	2,498,423
Department of Health:				
Medical Services for Abused and Neglected Children	64.006	CP1PN	-	153,411
Department of Elder Affairs:				
Public Guardianship	65.003	X9F24	-	476,214
Public Guardianship	65.003	X9G24	-	865,131
Subtotal—Department of Elder Affairs			-	1,341,345
Department of Juvenile Justice:				
<i>Passed-through from Florida Network of Youth and Family Services, Inc.:</i>				
Children and Families in Need of Services (CINS/FINS)	80.005	Miami Bridge	-	2,144,197
Children and Families in Need of Services (CINS/FINS)	80.005	Southeast	-	2,026,936
Children and Families in Need of Services (CINS/FINS)	80.005	Northwest	-	2,073,313
Children and Families in Need of Services (CINS/FINS)	80.005	Southwest	-	2,844,102
Subtotal—Department of Juvenile Justice			-	9,068,548
Total expenditures of state financial assistance			54,901,685	82,669,203
Total expenditures of federal awards and state financial assistance			\$ 141,762,262	\$ 279,846,105

*Please note that totals by Federal Award Program/Cluster are identified on the following pages.

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
Year Ended June 30, 2025

ALN No.	Totals by Federal Award Program/Cluster	Federal Expenditures
10.558	Child and Adult Care Food Program	\$ 7,536,074
16.575	Crime Victim Assistance	252,292
19.510	U.S. Refugee Admissions Program	1,694,027
93.086	Healthy Marriage Promotion and Responsible Fatherhood Grants	74,269
93.150	Projects for Assistance in Transition from Homelessness (PATH)	774,223
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	3,574,601
93.556	MaryLee Allen Promoting Safe and Stable Families Program	824,711
93.557	Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth	200,202
93.558	Temporary Assistance for Needy Families	9,037,481
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs	14,021,212
93.567	Refugee and Entrant Assistance Voluntary Agency Programs	4,025,065
93.576	Refugee and Entrant Assistance Discretionary Grants	3,602,965
93.597	Grants to States for Access and Visitation Programs	7,854
93.598	Services to Victims of a Severe Form of Trafficking	100,659
93.600	Head Start Cluster: Head Start*	63,254,392
93.600	COVID-19: Head Start Cluster: Head Start*	3
93.623	Basic Center Grant	1,139,105
93.645	Stephanie Tubbs Jones Child Welfare Services Program	991,529
93.658	Foster Care Title IV-E	6,012,542
93.659	Adoption Assistance	1,413,752
93.667	Social Services Block Grant	800,741
93.669	Child Abuse and Neglect State Grants	16,365
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	101,572
93.676	Unaccompanied Children Program	9,903,581
93.732	Mental and Behavioral Health Education and Training Grants	599,575
93.767	Children's Health Insurance Program	912,336
93.778	Medicaid Cluster: Medical Assistance Program	485,293
93.788	Opioid STR	22,098,844
93.958	Block Grants for Community Mental Health Services	17,922,433
93.959	Block Grants for Prevention and Treatment of Substance Abuse	24,724,495
93.982	Mental Health Disaster Assistance and Emergency Mental Health	450,106
93.994	Maternal and Child Health Services Block Grant to the States	38,856
97.010	Citizenship Education and Training	77,250
97.032	Crisis Counseling	508,497
Total expenditures of federal awards		\$ 197,176,902

* Total Head Start Cluster 63,254,395

Lutheran Services Florida, Inc. and Subsidiary**Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)**
Year Ended June 30, 2025

CSFA No.	Totals by State Financial Assistance Project	State Expenditures
48.040	School and Instructional Enhancement Programs	\$ 229,874
48.108	Voluntary Pre-Kindergarten Education Program	2,268,549
60.074	Out-Of-Home Supports	6,140,772
60.114	Forensic Services and Competency Restoration Training	5,306,611
60.141	Extended Foster Care Program	3,557
60.153	Substance Abuse and Mental Health—Community Services	5,230,662
60.155	Substance Abuse and Mental Health—Crisis Prevention and Stabilization Services	4,258,477
60.163	Centralized Receiving Systems	20,809,378
60.183	CBC - Purchase of Therapeutic Services for Children	229,463
60.190	SAMH ME State Funded Federal Excluded Services	1,225,149
60.206	Family Finders Program	59,339
60.225	Early Childhood Court Case Management & Prevention Services	6,913
60.355	State Opioid Settlement Trust Fund Services	26,317,155
64.006	Medical Services for Abused and Neglected Children	153,411
65.003	Public Guardianship	1,341,345
80.005	Children and Families in Need of Services (CINS/FINS)	<u>9,088,548</u>
Total expenditures of state financial assistance		<u>\$ 82,669,203</u>

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, 2025

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, 2025. 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 for contract awards prior to October 1, 2024 and 15% de minimis indirect cost rate allowed under the Uniform Guidance for contract awards on or after October 1, 2024.

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Findings and Questioned Costs Year Ended June 30, 2025

Section I—Summary of Auditor's Results

Financial Statements

Type of report the auditor 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

No

Significant deficiency(ies) identified?

Yes

None Reported

Noncompliance material to financial statements noted?

Yes

No

Federal Awards

Internal control over major federal programs:

Yes

No

Material weakness(es) identified?

Yes

None Reported

Significant deficiency(ies) identified?

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?

Yes

No

Identification of major federal programs:

Assistance Listing Number(s)

93.243

93.556

93.659

93.767

93.788

93.959

Name of Federal Program or Cluster:

Substance Abuse and Mental Health Services Projects of Regional and National Significance

MaryLee Allen Promoting Safe and Stable Families Program

Adoption Assistance

Children's Health Insurance Program

Opioid STR

Block Grants for Prevention and Treatment of Substance Abuse

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

\$ 3,000,000

Auditee qualified as low-risk auditee?

Yes

No

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Findings and Questioned Costs (Continued) **Year Ended June 30, 2025**

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

State Financial Assistance Projects

Internal control over major state projects:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> X	No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> X	None Reported

Type of auditor's report issued on compliance for major state projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650?

Yes X No

Identification of major state projects:

<u>CSFA Number(s)</u>	<u>Name of State Financial Assistance Project</u>
60.153	Substance Abuse and Mental Health—Community Services
60.163	Centralized Receiving Systems
60.355	State Opioid Settlement Trust Fund Services
65.003	Public Guardianship

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

\$ 2,480,076

(Continued)

Lutheran Services Florida, Inc. and Subsidiary

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2025

Section II—Financial Statement Findings

No matters were reported.

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

No matters were reported.

Section IV—Other Reporting

There was no management letter or control deficiency letter issued for the year ended June 30, 2025, 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, Inc. and Subsidiary

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025

The prior year single audit disclosed no findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from the prior audit's Summary of Prior Audit Findings.