

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

THE SPRING OF TAMPA BAY, INC.

June 30, 2018

## TABLE OF CONTENTS

Independent Auditors' Report	3 - 4
Financial Statements	
Statement of Financial Position	5
Statement of Activities and Changes in Net Assets	6
Statement of Cash Flows	7
Statement of Functional Expenses	8 - 9
Notes to Financial Statements	10 - 20
Supplementary Information	21
Schedule of Expenditures of Federal Awards and State Financial Assistance	22 - 24
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	25
Compliance Reports	26
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27 - 29
Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required By Uniform Guidance and Chapter 10.650, <i>Rules of the Auditor General</i>	30 - 32
Schedule of Findings and Questioned Costs	33 - 35



**RIVERO, GORDIMER & COMPANY, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS**

Member  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

Herman V. Lazzara                      Stephen G. Douglas  
Marc D. Sasser                          Michael E. Helton  
Sam A. Lazzara                         Christopher F. Terrigino  
Kevin R. Bass                             James K. O'Connor  
Jonathan E. Stein  
Richard B. Gordimer, of Counsel  
Cesar J. Rivero, in Memoriam (1942-2017)

INDEPENDENT AUDITORS' REPORT

Board of Directors  
The Spring of Tampa Bay, Inc.

**Report on the Financial Statements**

We have audited the accompanying financial statements of The Spring of Tampa Bay, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Spring of Tampa Bay, Inc. as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.650, *Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2018, on our consideration of The Spring of Tampa Bay, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Spring of Tampa Bay, Inc.'s internal control over financial reporting and compliance.



Tampa, Florida  
December 18, 2018

The Spring of Tampa Bay, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2018

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents (note A7)	\$ 170,160
Grants receivable (note A6)	615,104
Prepaid expenses	24,067
Inventory (note A5)	<u>52,037</u>
Total current assets	<u>861,368</u>
LAND, BUILDINGS, AND EQUIPMENT, Net of accumulated depreciation (note B)	<u>3,175,512</u>
INVESTMENTS HELD AT COMMUNITY FOUNDATION (notes C and I)	<u>96,271</u>
DEPOSITS	<u>30,155</u>
TOTAL ASSETS	<u>\$ 4,163,306</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	\$ 103,153
Accrued expenses	212,449
Lines of credit (note E)	147,350
Deferred revenue	47,598
Current portion of note payable (note G)	<u>75,815</u>
Total current liabilities	<u>586,365</u>
NOTE PAYABLE, LONG-TERM (note G)	<u>45,235</u>
DEFERRED LONG-TERM DEBT (note F)	<u>579,647</u>
TOTAL LIABILITIES	<u>1,211,247</u>
NET ASSETS (notes A2 and C)	
Unrestricted	2,676,220
Temporarily restricted	179,568
Permanently restricted	<u>96,271</u>
TOTAL NET ASSETS	<u>2,952,059</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,163,306</u>

The accompanying notes are an integral part of this statement.

The Spring of Tampa Bay, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, other support and losses (note A3)				
Federal financial assistance	\$ 1,689,712	\$ -	\$ -	\$ 1,689,712
State of Florida financial assistance	920,815	-	-	920,815
Local financial assistance	347,509	-	-	347,509
Contributions	402,140	41,000	3,000	446,140
United Way	207,044	-	-	207,044
Foundations	117,395	131,500	-	248,895
Program fees	32,945	-	-	32,945
Thrift store sales	454,612	-	-	454,612
Fundraising, net of direct expenses of \$126,876	190,458	-	-	190,458
Donated goods and services	510,649	-	-	510,649
Rental income	173,801	-	-	173,801
Net realized and unrealized gain on investments	-	-	5,905	5,905
Interest and dividend income	592	-	-	592
	<u>5,047,672</u>	<u>172,500</u>	<u>8,905</u>	<u>5,229,077</u>
Other income and losses				
Other income	10,000	-	-	10,000
Loss on disposal	(45,294)	-	-	(45,294)
	<u>(35,294)</u>	<u>-</u>	<u>-</u>	<u>(35,294)</u>
Net assets released from restrictions and transfers	178,863	(174,172)	(4,691)	-
Total revenue, other support and losses	<u>5,191,241</u>	<u>(1,672)</u>	<u>4,214</u>	<u>5,193,783</u>
Expenses				
Program services	4,488,429	-	-	4,488,429
Management and general	421,141	-	-	421,141
Fundraising	295,586	-	-	295,586
Total expenses	<u>5,205,156</u>	<u>-</u>	<u>-</u>	<u>5,205,156</u>
Change in net assets	(13,915)	(1,672)	4,214	(11,373)
Net assets at beginning of year	2,690,135	181,240	92,057	2,963,432
Net assets at end of year	<u>\$ 2,676,220</u>	<u>\$ 179,568</u>	<u>\$ 96,271</u>	<u>\$ 2,952,059</u>

The accompanying notes are an integral part of this statement.

The Spring of Tampa Bay, Inc.  
STATEMENT OF CASH FLOWS  
For the year ended June 30, 2018

Cash flows from operating activities	
Change in net assets	<u>\$ (11,373)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	246,610
Net change in investments held at community foundation	(4,214)
Increase in grants receivable	(179,681)
Decrease in promises to give	224
Increase in inventory	(2,669)
Increase in prepaid expenses	(10,627)
Increase in deposits	(2,822)
Increase in accounts payable	11,158
Increase in accrued expenses	14,838
Decrease in deferred revenue	(12,008)
Gain on forgiveness of deferred long-term debt	(53,949)
Loss on disposal of assets	45,294
Total adjustments	<u>52,154</u>
Net cash provided by operating activities	<u>40,781</u>
Cash flows from investing activities	
Purchases of equipment and building renovations	<u>(415,921)</u>
Net cash used by investing activities	<u>(415,921)</u>
Cash flows from financing activities	
Proceeds on line of credit	147,350
Payments on loans	<u>(11,302)</u>
Net cash provided by financing activities	<u>136,048</u>
Net decrease in cash and cash equivalents	<u>(239,092)</u>
Cash and cash equivalents at beginning of year	<u>409,252</u>
Cash and cash equivalents at end of year	<u><u>\$ 170,160</u></u>
Supplemental disclosures of cash flow information	
Cash paid during the year	
Interest	<u><u>\$ 5,857</u></u>
Income taxes	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this statement.

The Spring of Tampa Bay, Inc.  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended June 30, 2018

	Program Services											Total Program Services	
	Shelter	Kitchen Operations	Shelter Childcare	Social Change	Outreach HQ	Health and Wellness	Shelter U	IFP Legal	Peace Village	Thrift Stores	Plant City Collaboration		Plant City Outreach
Salaries and wages	\$ 745,095	\$ 94,576	\$ 178,487	\$ 66,051	\$ 378,656	\$ 48,049	\$ 107,463	\$ 199,040	\$ 78,071	\$ 151,083	\$ 8,391	\$ 55,138	\$ 2,110,100
Payroll taxes and employee benefits	162,220	23,023	42,258	14,771	90,765	7,380	20,585	29,849	14,774	36,512	2,093	14,856	459,086
	<u>907,315</u>	<u>117,599</u>	<u>220,745</u>	<u>80,822</u>	<u>469,421</u>	<u>55,429</u>	<u>128,048</u>	<u>228,889</u>	<u>92,845</u>	<u>187,595</u>	<u>10,484</u>	<u>69,994</u>	<u>2,569,186</u>
Staff development	11,812	190	4,656	895	4,057	-	1,534	2,231	139	-	-	-	25,514
Professional fees	87,336	4,508	5,133	43,221	17,139	1,512	1,981	4,902	1,803	5,365	-	2,846	175,746
Office supplies	10,772	139	1,059	1,710	8,080	414	2,102	10,994	892	1,119	-	726	38,007
Telephone	25,909	152	791	667	11,063	18	670	3,423	6,637	12,145	-	7,850	69,325
Program supplies	65,160	113,841	7,335	1,900	4,078	67	787	631	2,620	3,298	314	870	200,901
Occupancy and warehouse	153,922	7,555	47,439	594	30,070	16	12	10,286	60,675	132,464	26,895	20,177	490,105
Insurance	41,128	3,872	6,637	753	5,736	409	1,162	9,124	7,122	7,468	1,984	2,393	87,788
Travel and transportation	9,385	27	246	1,533	2,785	857	173	5,777	1,391	9,262	153	1,724	33,313
Victim aid	53,692	-	84	-	14,543	-	2,997	16	7,983	-	-	-	79,315
Donated goods and services	108,646	441	161,423	155	30,693	136	102	-	2,217	189,489	-	967	494,269
Development expense	-	-	-	3,736	-	-	-	-	-	-	-	-	3,736
Other	593	-	-	-	-	-	6,858	7,252	9	7,290	-	-	22,002
Total expenses before bad debt and depreciation expense	<u>1,475,670</u>	<u>248,324</u>	<u>455,548</u>	<u>135,986</u>	<u>597,665</u>	<u>58,858</u>	<u>146,426</u>	<u>283,525</u>	<u>184,333</u>	<u>555,495</u>	<u>39,830</u>	<u>107,547</u>	<u>4,289,207</u>
Bad debt expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense	74,981	10,215	29,121	1,928	14,429	-	-	-	39,234	19,876	6,343	3,095	199,222
Total expenses	<u>\$ 1,550,651</u>	<u>\$ 258,539</u>	<u>\$ 484,669</u>	<u>\$ 137,914</u>	<u>\$ 612,094</u>	<u>\$ 58,858</u>	<u>\$ 146,426</u>	<u>\$ 283,525</u>	<u>\$ 223,567</u>	<u>\$ 575,371</u>	<u>\$ 46,173</u>	<u>\$ 110,642</u>	<u>\$ 4,488,429</u>

The Spring of Tampa Bay, Inc.

STATEMENT OF FUNCTIONAL EXPENSES - CONTINUED

For the year ended June 30, 2018

	Supporting Services		Total Supporting Services	Total Expenses
	Management and General	Fundraising		
Salaries and wages	\$ 197,526	\$ 192,995	\$ 390,521	\$ 2,500,621
Payroll taxes and employee benefits	27,340	27,040	54,380	513,466
	<u>224,866</u>	<u>220,035</u>	<u>444,901</u>	<u>3,014,087</u>
Staff development	6,503	119	6,622	32,136
Professional fees	92,934	14,834	107,768	283,514
Office supplies	13,226	26,808	40,034	78,041
Telephone	2,367	4,300	6,667	75,992
Program supplies	2,028	922	2,950	203,851
Occupancy and warehouse	17,349	1,922	19,271	509,376
Insurance	17,700	3,260	20,960	108,748
Travel and transportation	2,482	1,482	3,964	37,277
Victim aid	63	-	63	79,378
Donated goods and services	-	14,442	14,442	508,711
Development expense	-	-	-	3,736
Other	348	1,349	1,697	23,699
	<u>379,866</u>	<u>289,473</u>	<u>669,339</u>	<u>4,958,546</u>
Total expenses before bad debt and depreciation expense				
Bad debt expense	-	-	-	-
Depreciation expense	41,275	6,113	47,388	246,610
	<u>421,141</u>	<u>295,586</u>	<u>716,727</u>	<u>5,205,156</u>
Total expenses				

The accompanying notes are an integral part of this statement.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2018

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A brief description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. General

The Spring of Tampa Bay, Inc. (the "Organization"), is a not-for-profit corporation organized for the purpose of providing shelter and aid to victims and survivors of domestic violence. The Organization operates a 24-hour domestic violence crisis hotline; provides a 128-bed emergency residential shelter for victims and their children; provides an onsite daycare and K-5 public elementary school for the sole use of children residing at The Spring; houses pets of families entering shelter; provides a 12-unit apartment complex where victims and their children may stay for 12 months or more as they work to become self-sufficient; operates two outreach services locations where victims may be linked with supportive services as well as legal assistance; and partners with the sheriff's office and the child welfare system to co-locate staff at their offices to assist with high-risk DV cases and to bridge the gap between child welfare and domestic violence, thereby enhancing family safety, creating permanency for children, reducing removals of children from non-offending parents, and holding batterers accountable. Additionally, the Organization provides a health and wellness program to connect survivors to healthcare services and educate doctors and medical professionals about domestic violence, and prevention and education programs on domestic violence and teen dating violence to youth at area schools/youth-serving organizations, professionals who work with families, as well as interested community groups and businesses.

2. Basis of Accounting

The Organization has adopted the provisions of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") and FASB ASC 958-205 that establishes standards for general purpose external financial statements of not-for-profit organizations that require a statement of financial position, a statement of activities, and a statement of cash flows.

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets and revenue, expenses, gains and losses according to the existence or absence of donor-imposed restrictions. FASB ASC 958-605 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributed services meeting certain criteria at fair values. Accordingly, net assets and changes therein are classified as follows:

- Unrestricted Net Assets - net assets that are not restricted as described below.
- Temporarily Restricted Net Assets - net assets subject to donor-imposed restrictions that permit the Organization to expend the donated assets as specified once the restriction has been satisfied either by the passage of time or by actions of the Organization.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Permanently Restricted Net Assets - net assets resulting primarily from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

3. Revenue and Expense Recognition

The Organization recognizes public support, revenue and expenses on the accrual basis. Support and revenues from grants and contracts are generally recognized as eligible costs when incurred and/or required services are performed. Functional expenses are allocated between programs on the basis of specific identification, where possible, or management's best estimates.

4. Contributions

The Organization accounts for contributions in accordance with FASB ASC 958-605-25, *Revenue Recognition*. Accordingly, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

5. Inventory

Inventory consists of donated goods received which are held for distribution to the programs and recorded at fair value at the date of donation.

6. Grants Receivable

*Grants receivable* - Grants receivable represents qualified grant expenses incurred that have not yet been reimbursed. Management considers grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

7. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

8. Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code Section 501 (c)(3) and qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and is not considered a private foundation. Accordingly, no provision or benefit for income taxes has been reflected in the accompanying financial statements.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Management is not aware of any activities that would jeopardize the Organization's tax-exempt status. The Organization is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after June 30, 2014 remain subject to examination by taxing authorities.

9. Estimates

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

10. Donated Goods and Services

The Organization records the value of donated goods or services when there is an objective basis available to measure their value. Donated materials, equipment and services are reflected as contributions in the accompanying statements at their fair values at the date of receipt. Volunteer hours have been reflected in the statements at a nationally recognized rate per hour based on hours worked.

11. Investment Policy

It is the Organization's policy to limit restricted investments primarily to short-term investments considered to be of lower risk.

NOTE B - LAND, BUILDINGS, AND EQUIPMENT

Land, building and equipment are valued at cost at the acquisition date or fair value at the date of donation. Assets are capitalized when the purchase price or estimated fair value exceeds \$5,000 and the estimated useful life is more than one year.

Depreciation is computed on the straight-line method based upon the estimated useful lives ranging from 3 to 40 years. Depreciation expense for the year ended June 30, 2018 was \$246,610.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE B - LAND, BUILDINGS, AND EQUIPMENT - Continued

Land, buildings, and equipment at June 30, 2018 consist of the following:

Land and buildings	\$ 5,442,950
Leasehold improvements	333,610
Furniture, fixtures and computers	331,501
Transportation equipment	51,449
	<u>6,159,510</u>
Less accumulated depreciation	<u>(3,029,998)</u>
Construction in process	<u>46,000</u>
Net, land, buildings, and equipment	<u><u>\$ 3,175,512</u></u>

NOTE C - INVESTMENTS HELD AT COMMUNITY FOUNDATION

Investments consist of investment accounts in a community foundation carried at their fair values.

The Organization has transferred assets to the Community Foundation of Tampa Bay, Inc. (the "Foundation") which is holding them as an endowed component fund (the "Fund") for the benefit of the Organization. The Organization has granted the Foundation variance power which gives the Foundation's Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to the Foundation's investment and spending policies which currently result in a distribution to the Organization equal to the greater of 5% of the fair market value at January 1 of each year or the annual income earned by the investment of the assets of the Fund. The Organization reports the fair value of the Fund as Investments Held at Community Foundation in the statement of financial position and reports distributions received as a transfer of assets. Changes in the value of the Fund are reported as gains or losses in the statement of activities.

Changes in the investments are as follows for the year ended June 30, 2018, and are included in permanently restricted net assets:

Investments held at Community Foundation at June 30, 2017	\$ 92,057
Contributions	3,000
Interest, dividends, gains and losses	5,905
Withdrawals	-
Earnings transferred to the Organization	<u>(4,691)</u>
Investments held at Community Foundation at June 30, 2018	<u><u>\$ 96,271</u></u>

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE D - FUNDS HELD FOR THE BENEFIT OF THE ORGANIZATION

The Community Foundation of Tampa Bay, Inc. holds investment accounts established by anonymous donors to benefit the Organization. The accounts are not assets of the Organization and, therefore, are not included in the financial statements. The Organization receives the interest earnings.

The balances of the funds held for the benefit of the Organization are as follows for the year ended June 30, 2018:

Leave A Legacy	\$ 102,730
Designated	<u>119,262</u>
	<u>\$ 221,992</u>

NOTE E - LINE OF CREDIT ARRANGEMENTS

The Organization has a variable rate revolving line of credit with a bank capped at \$312,500, due on demand, and secured by Plant City property. Interest is due monthly at the prime rate (5% at June 30, 2018). The amount outstanding on this line of credit note is \$147,350 as of June 30, 2018.

NOTE F - DEFERRED LONG-TERM DEBT

The Organization has a Deferred Payment Purchase Money Mortgage and promissory note related to grant funds provided by the Hillsborough County, Florida under terms of a U.S. Department of Housing and Urban Development *Community Development Block Grant* for \$94,106. The principal and interest on the promissory note will be deferred during the Minimum Use Period that was defined as six years, starting in 2017, as long as the Organization maintains its current status as a not-for-profit domestic violence shelter.

The Organization has an additional mortgage related to grant funds from The State of Florida Department of Children and Families, *Fixed Capital Outlay Grant and Aid*. The State granted a total of \$539,490 for expanding capacity of the domestic violence center in Tampa, Florida.

The Department's interest is determined to be proportionately reduced over the 20 year term of the mortgage. The promissory note related to grant funds provided by Hillsborough County, Florida will remain in effect through fiscal year 2023, upon which the mortgage and promissory note will be released. Accordingly, the outstanding deferred liability totaling \$485,541 at June 30, 2018 is presented as long term on the statement of financial position.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE G - NOTES PAYABLE

I. First Housing Development Corporation

The Organization entered into a promissory note with First Housing Development Corporation during March 2014 for \$350,000 at a fixed interest rate of 4.00% per annum. Principal payments of \$5,850 are to be made monthly until maturity on March 18, 2019. However, the lender has deferred the payments for 12 months beginning August 2017, and accordingly, the maturity date was changed to March 18, 2020. The principal amount of the promissory note was \$110,150 at June 30, 2018.

The lender agreed to forgive payment of any accrued interest that is payable under this note prior if the Organization made all principal payments required under this note on a timely basis and as long as no other defaults occurred under this note.

II. Commercial Bank

The Organization entered into a promissory note with a commercial bank during April 2015 for \$26,591 at a fixed interest rate of 5.00% per annum. Payments of approximately \$504 are to be made monthly until maturity on May 13, 2020. The principal amount of the promissory note was \$10,900 at June 30, 2018, and is collateralized by equipment.

Future maturities of principal payments due are as follows:

Year ending June 30,

2019	\$	75,815
2020		45,235
		<u>121,050</u>
Less current portion		<u>(75,815)</u>
	\$	<u>45,235</u>

NOTE H - COMMITMENTS AND CONTINGENCIES

Lease Commitments

The Organization leases office space for outreach services, and thrift store space under operating leases.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE H - COMMITMENTS AND CONTINGENCIES - Continued

Approximate future annual minimum lease payments under these operating leases are as follows:

<u>Year ending June 30,</u>	
2019	\$ 144,000
2020	141,000
2021	141,000
2022	141,000
2023	146,000
Thereafter	<u>42,000</u>
Total	<u>\$ 755,000</u>

Rent expense was approximately \$165,000 for the year ended June 30, 2018.

Contingencies

Certain funding agencies reserve the right to examine records relating to cost reimbursements by terms of the Organization's grants. In the event there is a determination on non-qualifying expenditures for which a reimbursement has been made, the funding agency may demand a refund for the appropriate amount. Management of the Organization does not anticipate adjustments to be made for grants closed out, or in process as of June 30, 2018. Accordingly, no provision for such a liability has been made in the accompanying financial statements.

NOTE I - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE 1 - FAIR VALUE MEASUREMENTS - Continued

- Level 2            Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for that asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3            Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for significant assets measured at fair value at June 30, 2018:

*Investments in a community foundation:* The beneficial interests in the funds held by others at a community foundation are not actively traded and significant other observable inputs are not available. The fair value is the value reported by the community foundation. Accordingly, this is a Level 3 measurement.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE I - FAIR VALUE MEASUREMENTS - Continued

The estimated fair values of the Organization's financial instruments are as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Financial assets		
Investments held at Community Foundation	<u>\$ 96,271</u>	<u>\$ 96,271</u>

The following table sets forth by level, within the fair value hierarchy, the Organization's investments measured at fair value on a recurring basis:

	<u>Fair Value</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Investments held at Community Foundation	<u>\$ 96,271</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,271</u>

A reconciliation of Level 3 follows:

Investments held at Community Foundation at June 30, 2017	\$ 92,057
Contributions	3,000
Interest, dividends, gains and losses	5,905
Withdrawals	-
Earnings transferred to the Organization	<u>(4,691)</u>
Investments held at Community Foundation at June 30, 2018	<u>\$ 96,271</u>

NOTE J - RETIREMENT PLAN

The Organization sponsors a 403(b) Plan for eligible employees. The Organization matches 100% of the employee's contributions, not to exceed 2% of annual salary. Contributions to the plan were approximately \$20,000 for the year ended June 30, 2018.

NOTE K - CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and receivables.

The Organization monitors the financial condition of the institution in which it has depository accounts and believes the risk of loss is minimal. Cash balances did not exceed federally insured limits at June 30, 2018.

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE K - CONCENTRATIONS OF CREDIT RISK - Continued

Concentrations of credit risk with respect to unsecured receivables are limited, as the receivables are primarily grants receivable from governmental agencies and promises to give by parties who have contributed in the past.

NOTE L - CONTRACT MATCHING CONTRIBUTIONS

The Organization receives a portion of its support from the federal government, the State of Florida, the Board of County Commissioners of Hillsborough County and the City of Tampa under the various grant contracts. These contracts must be renegotiated annually. Although a maximum amount is established during the negotiation process, income is earned on a per unit of service or on a reimbursement basis.

Compliance with matching requirements has been met as evidenced by the match calculation for the year ended June 30, 2018, as follows:

Matching revenue	
Contributions	\$ 446,140
United Way	207,044
Foundations	248,895
Program fees	32,945
Thrift store sales	454,612
Fundraising	190,458
Donated goods and services	510,649
Rental income	173,801
Total matching revenue	<u>2,264,544</u>
Less program matching requirements	
Victims of Crime	109,232
Florida Coalition Against Domestic Violence	250,515
Emergency Shelter Grant	97,679
Total matching requirement	<u>457,426</u>
Total matching revenue in excess of matching requirement	<u>\$ 1,807,118</u>

The Spring of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2018

NOTE M - TEMPORARILY RESTRICTED NET ASSETS

The Organization's temporarily restricted net assets are primarily restricted for the following purposes at June 30, 2018:

Education/Victim Education	\$	84,853
Kid's Program		23,438
Capital Projects		8,113
Art Therapy		10,596
Social Change Project		23,560
Salaries for Hotline Advocates		16,487
Other		<u>12,521</u>
	\$	<u>179,568</u>

NOTE N - SUBSEQUENT EVENTS

The Organization has evaluated events and transactions occurring subsequent to June 30, 2018 as of December 18, 2018 which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

THE SPRING OF TAMPA BAY, INC.

For the year ended June 30, 2018

The Spring of Tampa Bay, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2018

Federal Program	Federal CFDA#	Contract Number	Pass-Through Identifying Number	Pass-Through to Subrecipients	Expenditures
<b>Federal Programs</b>					
<u>U.S. Department of Agriculture</u>					
Indirect Programs					
<u>Child Nutrition Cluster</u>					
Passed-through Florida Department of Education					
Passed-through Florida Department of Agriculture					
National School Lunch Program	10.555	-	01-0234	-	\$ 13,805
School Breakfast Program	10.553	-	01-0234	-	7,070
Total Indirect Programs - U.S. Department of Agriculture Child Nutrition Cluster					20,875
<u>U.S. Department of Health and Human Services</u>					
Indirect Programs					
Passed-through Florida Department of Children and Families					
Passed-through Florida Coalition Against Domestic Violence					
Temporary Assistance for Needy Families	93.558	-	18-2200 DVS	-	347,419
Domestic Violence Program	93.671	-	18-2200 DVS	-	239,725
Total Indirect Programs - U.S. Department of Health and Human Services					587,144
<u>U.S. Department of Homeland Security</u>					
Indirect Programs					
Passed-through United Way of Tampa Bay					
Emergency Food and Shelter, Phase 31	97.024		1638-00-007		69,133
Total Indirect Programs - U.S. Department of Homeland Security					69,133
<u>U.S. Department of Housing and Urban Development</u>					
Indirect Programs					
Passed-through Hillsborough County					
CDBG Rural Victims Outreach	14.218	-	17-0067	-	54,103
Total Indirect Programs CFDA # 14.218					54,103
Passed-through the City of Tampa					
Emergency Solutions Grant 17	14.231	-	N/A	-	8,450
Emergency Solutions Grant 18	14.231		N/A		55,003
Total Indirect Programs CFDA # 14.231					63,453
Passed-through Hillsborough County					
CBDG Special Purpose Grant 17 (Loan Guarantee)	14.225	-	175048-0000		94,106
Total Indirect Programs CFDA # 14.225					94,106
Total Indirect Programs - U.S. Department of Housing and Urban Development					211,662
Total U.S. Department of Housing and Urban Development					211,662

The Spring of Tampa Bay, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE -  
CONTINUED

For the year ended June 30, 2018

Federal Program	Federal CFDA#	Contract Number	Pass-Through Identifying Number	Pass-Through to Subrecipients	Expenditures
<b>Federal Programs - Continued</b>					
<u>U.S. Department of Justice</u>					
Indirect Programs					
Passed-through the Florida Office of the Attorney General Victims of Crime Act	16.575	-	V163-14232	-	428,707
Passed-through Florida Coalition Against Domestic Violence					
CPI Project 17	16.575	-	17-2200-CPI	-	14,334
CPI Project 18	16.575	-	18-2200-CPI	-	40,969
Economic Justice Service	16.575		17-2200VOCA-EJ		14,298
Economic Justice Service	16.575		18-2200VOCA-EJ		50,872
IFP legal	15.575		17-2200VOCA-LEGAL		38,247
IFP legal	16.575		18-2200VOCA-LEGAL		211,959
Total Indirect Programs CFDA # 16.575					<u>799,386</u>
Violence Against Women Formula Grants					
Passed-through Bay Area Legal Services - SafeNet	16.588	-	2014-WL-AX-0007	-	6,032
Passed-through Florida Department of Children and Families					
Passed-through Florida Coalition Against Domestic Violence					
Basic Needs Grant	16.588	-	N/A	-	89,586
Total Indirect Programs CFDA # 16.588					<u>95,618</u>
Total Indirect Programs - U.S. Department of Justice					<u>895,004</u>
Total expenditures of federal awards					<u>\$ 1,783,818</u>
<b>State Projects</b>					
Florida Department of Children and Families					
Pass-through Florida Coalition Against Domestic					
Violence					
General Revenue	60.xxx	-	18-2200 DVS	-	\$ 426,120
General Revenue DV Center Basic Needs Grant	60.xxx	-	N/A	-	1,297
General Revenue DV Center Basic Needs Grant	60.134	-	N/A	-	15,910
General Revenue DV Center Basic Needs Grant	60.xxx	-	N/A	-	37,472
Domestic Violence Program and Primary					
Prevention Program	60.xxx	-	18-2200 DVS	-	274,692
General Revenue Participation Needs Grant	60.xxx	-	N/A	-	18,912
General Revenue Transportation Grant	60.xxx	-	N/A	-	15,497
General Revenue Proliteracy Grant	60.xxx	-	N/A	-	450
Capital Outlay Grant	60.xxx	-	N/A	-	53,949
CPI General Revenue	60.xxx	-	N/A	-	76,516
Total expenditures of state financial assistance					<u>920,815</u>
Total expenditures of federal awards and state financial assistance					<u>\$ 2,704,633</u>

The accompanying notes are an integral part of this schedule.

The Spring of Tampa Bay, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
FINANCIAL ASSISTANCE

June 30, 2018

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of The Spring of Tampa Bay, Inc. (the "Organization") and is presented on the accrual basis of accounting. 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 Chapter 10.650, *Rules of the Auditor General*. Because this schedule permits only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B - 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 Chapter 10.650, *Rules of the Auditor General*, wherein certain types are not allowable or are limited as to reimbursement. Negative amounts shown in the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C - INDIRECT COST RATE

The Organization has elected to use the 10-percent de minimis indirect cost rate under the Uniform Guidance.

NOTE D - CONTINGENCIES

These federal programs and state projects are subject to financial and compliance audits by grantor agencies which, if instances of material noncompliance are found, may result in disallowed expenditures and affect the Organization's continued participation in specific programs. The amount of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

NOTE E - LOAN GUARANTEES

The U.S. Department of Housing and Urban Development Program, *CDBG Special Purpose Grant*, CFDA#14.225, for \$94,106 was expended during the fiscal year ended June 30, 2017 and is also included in this year's Schedule of Expenditures of Federal Awards and State Financial Assistance due to the ongoing loan guarantee associated with this program through fiscal year 2023. The outstanding balance at June 30, 2018 is \$94,106.

NOTE F - SUBRECIPIENTS

The Organization did not provide any federal awards or state financial assistance to subrecipients.

## COMPLIANCE REPORTS

INDEPENDENT AUDITORS' 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*

THE SPRING OF TAMPA BAY, INC.

June 30, 2018



**RIVERO, GORDIMER & COMPANY, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Member  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

Herman V. Lazzara  
Marc D. Sasser  
Sam A. Lazzara  
Kevin R. Bass  
Jonathan E. Stein  
Richard B. Gordimer, of Counsel  
Cesar J. Rivero, in Memoriam (1942-2017)

Stephen G. Douglas  
Michael E. Helton  
Christopher F. Terrigino  
James K. O'Connor

INDEPENDENT AUDITORS' 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

Board of Directors  
The Spring of Tampa Bay, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Spring of Tampa Bay, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 18, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered The Spring of Tampa Bay, Inc.'s internal control over financial reporting to determine the 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 Spring of Tampa Bay, Inc.'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 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 may exist that have not been identified.

## Compliance and Other Matters

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

## Purpose of this Report

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

A handwritten signature in black ink that reads "Buco, Indiner & Company, P.A." The signature is written in a cursive, flowing style.

Tampa, Florida  
December 18, 2018

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

THE SPRING OF TAMPA BAY, INC.

June 30, 2018



**RIVERO, GORDIMER & COMPANY, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Member  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

Herman V. Lazzara                      Stephen G. Douglas  
Marc D. Sasser                          Michael E. Helton  
Sam A. Lazzara                          Christopher F. Terrigino  
Kevin R. Bass                            James K. O'Connor  
Jonathan E. Stein  
Richard B. Gordimer, of Counsel  
Cesar J. Rivero, in Memoriam (1942-2017)

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

Board of Directors  
The Spring of Tampa Bay, Inc.

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

We have audited The Spring of Tampa Bay, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of The Spring of Tampa Bay, Inc.'s major Federal programs and State projects for the year ended June 30, 2018. The Spring of Tampa Bay, Inc.'s major Federal programs and State projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs and State projects.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of The Spring of Tampa Bay Inc.'s major Federal programs and State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, *Rules of the Auditor General*. Those standards, Uniform Guidance, and Chapter 10.650, *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program and State project occurred. An audit includes examining, on a test basis, evidence about The Spring of Tampa Bay, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program and State project. However, our audit does not provide a legal determination of The Spring of Tampa Bay, Inc.'s compliance

### **Opinion on Each Major Federal Program and State Project**

In our opinion, The Spring of Tampa Bay, Inc. complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs and State projects for the year ended June 30, 2018.

### **Report on Internal Control Over Compliance**

Management of The Spring of Tampa Bay, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Spring of Tampa Bay, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program and State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Spring of Tampa Bay, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of 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, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Tampa, Florida  
December 18, 2018



SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
THE SPRING OF TAMPA BAY, INC.

June 30, 2018

The Spring of Tampa Bay, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2018

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified?      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards and State Projects**

Internal control over major federal programs and state projects :

Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified?      yes   X   none reported

Type of auditors' report issued on compliance for major federal programs and state projects? Unmodified

Any audit findings disclosed that are to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.650, *Rules of the Auditor General*      yes   X   no

Identification of major federal programs and state projects:

**Federal Program or Cluster**

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.671	Family Violence Prevention and Services
16.575	Crime Victim Assistance

**State Project**

<u>CFSA Number</u>	<u>Name of State Project</u>
60.xxx	Violence General Revenue
60.xxx	Domestic Violence Program and Primary Prevention

Dollar threshold used to distinguish between type A and type B Federal programs \$ 750,000

Dollar threshold used to distinguish between type A and type B State projects \$ 276,244

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?   X   yes      no

The Spring of Tampa Bay, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2018

**Section II - Financial Statement Findings**

No matters were reported for the year ended June 30, 2018 .

**Section III - Federal Award and State Financial Assistance Findings and Questioned Costs**

No matters were reported for the year ended June 30, 2018.

**Other Issues**

- a) A management letter is not required because there were no findings required to be reported in the management letter (see AG Rule Section 10.656(3)(e)).
- b) A Summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to Federal programs or State projects (see AG Rules 10.557(3)(e)5. and 10.656(3)(d)5.).