

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.**

(Non-Profit Organization)

**FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

LIGGETT & WEBB, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
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INDEPENDENT AUDITORS' REPORT

Board of Directors of the Pride Center at Equality Park
Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.
Wilton Manors, Florida

Report on Financial Statements

We have audited the accompanying financial statements of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, and cash flows for the years ended June 30, 2018 and June 30, 2017 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.

Auditors 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., as of June 30, 2018 and 2017 and the changes in the net assets and its cash flows for the years ended June 30, 2018 and June 30, 2017 in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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, as by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 the Government Auditing Standards, we have also issued our report dated February 27th, 2019 on our consideration of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., 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 the testing, and not to provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of the audit performed in accordance with Government Auditing Standards in considering The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc., internal control over financial reporting and compliance.

Liggett & Webb, P.A.

LIGGETT & WEBB, P.A.
Certified Public Accountants
February 27, 2019

**THE PRIDE CENTER AT EQUALITY PARK
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

Statement of Financial Position

	<u>As of June 30, 2018</u>	<u>As of June 30, 2017</u>
ASSETS		
Cash and cash equivalents	\$ 820,137	\$ 742,099
Unconditional promises and accounts receivable, less allowance for doubtful accounts	223,115	102,264
Grants receivable	82,593	73,192
Prepaid expenses	20,258	38,842
Utility and other deposits	4,673	4,513
Deferred loan costs, net	4,574	5,487
Property and equipment, net	5,218,713	5,238,243
TOTAL ASSETS	<u>\$ 6,374,063</u>	<u>\$ 6,204,640</u>
 LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 57,434	\$ 74,538
Deferred revenues, membership dues and grants	-	5,679
Notes payable, member	25,000	25,000
Mortgage payable	2,660,953	2,802,023
TOTAL LIABILITIES	<u>2,743,387</u>	<u>2,907,240</u>
 COMMITMENTS AND CONTINGENCIES		
Unrestricted	3,467,037	3,110,033
Temporarily restricted	163,639	187,367
Permanently restricted	-	-
TOTAL NET ASSETS	<u>3,630,676</u>	<u>3,297,400</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 6,374,063</u>	 <u>\$ 6,204,640</u>

The accompanying notes are an integral part of these financial statements

**THE PRIDE CENTER AT EQUALITY PARK
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

Statement of Activities

	For the year ended June 30, 2018	For the year ended June 30, 2017
UNRESTRICTED REVENUES AND OTHER SUPPORT		
Founders and members' dues and contributions	\$ 691,048	\$ 497,114
Facility usage fees and rental income	175,911	171,034
Grant contracts	235,136	218,874
Government grant contracts	891,951	864,377
Special events	362,778	216,047
Other income	25,298	24,358
Investment income	25,936	26,235
	2,408,058	2,018,039
Total unrestricted revenues and support		
Net assets released from restriction	23,728	-
	2,431,786	2,018,039
EXPENSES		
Program Services	1,619,358	1,449,538
Management and general	215,723	309,079
Fundraising	239,701	306,707
	2,074,782	2,065,324
Total Expenses		
Increase (Decrease) in unrestricted net assets	357,004	(47,285)
TEMPORARILY RESTRICTED NET ASSETS		
Net assets increased (released) from restrictions	(23,728)	-
Increase (Decrease) in temporarily restricted net assets	(23,728)	-
	333,276	(47,285)
Increase (Decrease) in net assets		
NET ASSETS		
Beginning of period	3,297,400	3,344,685
End of period	\$ 3,630,676	\$ 3,297,400

The accompanying notes are an integral part of these financial statements

**THE PRIDE CENTER AT EQUALITY PARK
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

Statement of Cash Flows

	For the year ended June 30, 2018	For the year ended June 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 333,276	\$ (47,285)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	118,492	112,235
Provision for doubtful accounts	20,343	13,150
(Increase) decrease in operating assets and liabilities:		
Unconditional promises to give and accounts receivable	(141,194)	(23,412)
Grants receivable	(9,401)	35,475
Prepaid expenses and deferred costs	19,498	7,515
Utility and other deposits	(160)	100
Accounts payable and accrued expenses	(17,105)	18,497
Deferred Revenue	(5,679)	5,679
Net cash provided by operating activities	318,070	121,954
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(98,962)	(33,605)
Net cash used in investing activities	(98,962)	(33,605)
CASH FLOW FROM FINANCING ACTIVITIES		
Payments on mortgage	(141,070)	(112,161)
Net cash used in financing activities	(141,070)	(112,161)
Net increase (decrease) in cash and cash equivalents	78,038	(23,812)
Cash and cash equivalents at the beginning of year	742,099	765,911
Cash and cash equivalents at the end of year	\$ 820,137	\$ 742,099

Supplemental Information:

Cash paid for interest expense:	\$ 94,901	\$ 92,896
Cash paid for income taxes:	\$ -	\$ -

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**THE PRIDE CENTER AT EQUALITY PARK
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

*Statement of Functional Expenses
For the Year ended June 30, 2018*

	DOH					Other	Community	Total			
	Testing	PALS	Artas	MSM	KiKi	Programs	Center	Program	Management	Fundraising	TOTAL
							Activity	Expense			
Salaries	\$109,959	\$199,378	\$ 98,762	\$ 72,494	\$ 76,874	\$148,945	\$ 173,243	\$ 879,655	\$ 79,779	\$ 136,404	\$1,095,838
Payroll taxes	9,412	15,813	8,375	5,779	4,897	10,596	19,868	\$ 74,740	8,535	10,974	\$ 94,249
Employee Benefits	14,953	31,036	9,872	7,448	8,760	18,002	15,131	\$ 105,202	4,774	9,607	\$ 119,583
Advertising and Community Relations	1,431	923	2,477	1,587	25	1,240	7,468	\$ 15,151	8,307	18,294	\$ 41,752
Bank and Credit Card Charges	-	-	-	-	-	392	-	\$ 392	-	-	\$ 392
Program Supplies and Expenses	4,690	29,437	3,537	4,569	4,068	26,547	-	\$ 72,848	5,741	3,591	\$ 82,180
Postage	176	60	65	68	60	25	247	\$ 701	907	854	\$ 2,462
Newsletter Printing and Production	-	-	-	-	-	-	2,427	\$ 2,427	-	-	\$ 2,427
Telephone	1,597	1,531	810	587	689	2,632	1,255	\$ 9,101	1,255	1,255	\$ 11,611
Utilities	3,465	6,134	3,578	2,383	3,193	10,684	23,229	\$ 52,666	11,615	11,615	\$ 75,896
Building Repairs and Maintenance	5,666	9,100	5,394	654	4,154	999	92,105	\$ 118,072	17,700	-	\$ 135,772
Security	1,712	3,007	1,601	1,179	1,086	5,234	2,605	\$ 16,424	1,403	1,301	\$ 19,128
Taxes Licenses and Fees	100	-	100	-	-	-	2,563	\$ 2,763	95	350	\$ 3,208
Insurance	9,667	5,217	5,218	5,629	5,053	15,159	10,661	\$ 56,604	22,712	9,903	\$ 89,219
Interest	8,541	16,133	8,541	5,694	9,490	28,470	4,016	\$ 80,885	10,000	4,016	\$ 94,901
Professional Fees	1,593	3,009	1,593	531	443	-	18,971	\$ 26,140	18,971	2,787	\$ 47,898
Depreciation	10,642	20,101	10,642	7,095	11,824	35,720	5,000	\$ 101,024	15,000	2,468	\$ 118,492
Bad Debt	-	-	-	-	-	-	-	\$ -	-	20,343	\$ 20,343
Office	530	566	-	-	48	65	3,354	\$ 4,563	8,929	5,939	\$ 19,431
	\$184,134	\$341,445	\$160,565	\$115,697	\$130,664	\$304,710	\$ 382,143	\$1,619,358	\$ 215,723	\$ 239,701	\$2,074,782

The accompanying notes are an integral part of these financial statements.

**THE PRIDE CENTER AT EQUALITY PARK
GAY & LESBIAN COMMUNITY CENTER OF GREATER FORT LAUDERDALE, INC.**

*Statement of Functional Expenses
For the Year ended June 30, 2017*

	DOH Testing	CODMT	Artas	MSM	KiKi	Other Programs	Community Center	Total Program Expense	Management	Fundraising	TOTAL
Salaries	\$ 111,138	\$201,936	\$ 92,407	\$ 68,353	\$ 63,345	\$132,662	\$ 65,436	\$ 735,277	\$ 186,294	\$ 171,321	\$1,092,892
Payroll taxes	9,291	15,624	7,325	5,347	5,158	9,645	9,702	\$ 62,092	16,968	14,224	\$ 93,284
Employee Benefits	13,658	35,596	7,231	6,619	8,566	13,234	7,003	\$ 91,907	13,548	7,003	\$ 112,458
Advertising and Community Relations	340	11,043	-	202	25	37,519	13,974	\$ 63,103	4,362	8,297	\$ 75,762
Bank and Credit Card Charges	-	-	-	-	-	422	-	\$ 422	139	338	\$ 899
Program Supplies and Expenses	13,695	26,645	10,193	4,178	8,768	32,965	1,254	\$ 97,698	5,989	249	\$ 103,936
Postage	172	59	65	66	54	847	-	\$ 1,263	395	1,978	\$ 3,636
Newsletter Printing and Production	-	-	-	-	-	1,484	-	\$ 1,484	1,483	2,189	\$ 5,156
Telephone	2,777	2,788	966	634	1,461	7,262	-	\$ 15,888	1,200	500	\$ 17,588
Utilities	3,472	5,984	3,125	2,426	1,736	12,315	23,741	\$ 52,799	11,870	11,869	\$ 76,538
Building Repairs and Maintenance	-	-	-	590	422	12,846	48,070	\$ 61,928	24,568	21,817	\$ 108,313
Security	1,755	3,081	1,579	1,271	915	5,647	2,605	\$ 16,853	1,403	1,301	\$ 19,557
Taxes Licenses and Fees	150	-	100	-	-	-	-	\$ 250	3,818	-	\$ 4,068
Insurance	11,144	12,434	7,101	5,570	4,441	18,071	6,246	\$ 65,007	8,544	6,247	\$ 79,798
Interest	9,289	15,792	8,360	6,502	5,573	13,939	9,289	\$ 68,744	10,218	13,934	\$ 92,896
Professional Fees	1,650	2,426	1,485	1,062	885	8,550	-	\$ 16,058	4,410	12,960	\$ 33,428
Depreciation	11,223	19,079	10,101	7,856	6,734	33,670	-	\$ 88,663	8,982	14,590	\$ 112,235
Bad Debt	-	-	-	-	-	-	-	\$ -	-	13,150	\$ 13,150
Office	-	-	-	-	-	8,477	1,625	\$ 10,102	4,888	4,740	\$ 19,730
	<u>\$ 189,754</u>	<u>\$352,487</u>	<u>\$150,038</u>	<u>\$110,676</u>	<u>\$108,083</u>	<u>\$349,555</u>	<u>\$ 188,945</u>	<u>\$ 1,449,538</u>	<u>\$ 309,079</u>	<u>\$ 306,707</u>	<u>\$2,065,324</u>

The accompanying notes are an integral part of these financial statements

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. ("The Pride Center") is a Florida nonprofit public charity incorporated on June 25, 1993. In 2008, The Pride Center purchased property in and relocated to Wilton Manors, Florida. The property includes approximately 38,000 square feet of office and warehouse space located on six acres of land housing its corporate offices and program services. The Pride Center rents office and warehouse space to other non-profit and for-profit organizations on a short-term and long-term basis.

The Pride Center provides meeting space and other facilities for groups and organizations that fulfill educational, therapeutic, cultural, social, recreational and other needs of the LGBT community of Broward County. The Pride Center strives to foster, create or sponsor programs to fulfill the purposes, as needed specifically by youth, elderly, and minority groups within the LGBT community. The Pride Center's purpose includes improving the quality of life for and enhancing a sense of unity and communication within the LGBT community of Broward County.

The Pride Center's source of funds is primarily from contributions, Federal and Florida grant contracts, fundraising events, membership dues, facility usage fees and rent.

Basis of Accounting and Presentation

The Pride Center prepares its financial statements in accordance with generally accepted accounting principles and on the accrual basis of accounting. Accordingly, revenues and gains are recognized when earned and expenses, losses and liabilities are recognized when incurred.

Financial statement presentation follows the Financial Accounting Standards Board Accounting Standards Codification (ASC) No. 958, *Not-for-Profit Entities*. Under FASB ASC No. 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/ or nature of any donor restrictions. Contributed goods and services are recorded as contributions at their estimated fair value at date of receipt.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are

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reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, The Pride Center considers certificates of deposit and all unrestricted highly, liquid investments with an initial maturity of three months or less to be cash equivalents.

Advertising

The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. ("The Pride Center") uses advertising to promote its programs to the community it serves. The production costs of advertising are expensed as incurred. Advertising costs totaled \$41,752 and \$75,762 for the years ended June 30, 2018 and 2017, respectively.

Grant and Contract Revenue

Grant and contract revenue is recognized when the allowable costs as defined by the individual grant or contract are incurred and/or the unit of service has been provided. Grants receivable at year-end represent allowable expenditures and/or units of service provided which have not yet been reimbursed by the granting agency.

Deferred Revenue

Income received in advance from grants and fundraising events are deferred and recognized over the periods to which the income relates.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles include the use of estimates that affect the financial statements. Accordingly, actual results could vary from the estimates that management uses. Significant estimates include allowance for uncollectible promises to give and useful lives of depreciable assets.

Property, Equipment, and Depreciation

Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. Acquisitions of property and equipment in excess of \$500 are capitalized. Depreciation is being calculated by use of the straight-line method over the estimated useful lives of the related assets, which vary from 3- 39 years.

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized. When assets are retired or otherwise disposed of, the cost or donated value and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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Donated Services

No amounts have been reflected in the financial statements for donated services. The Pride Center pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist The Pride Center with specific assistance programs, campaign solicitations, and various committee assignments. The Pride Center receives more than 21,000 volunteer hours per year.

Accounting for Long-Lived Assets

The Pride Center records losses on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets carrying amount.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions.

When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets. The Organization uses the allowance method to determine the estimated unconditional promises receivable that are doubtful of collection. The allowance is based on prior years' experience and management's analysis of specific promises made. Promises to give, less an allowance for uncollectible amounts, are discounted to reflect the time value of money.

Income Taxes

The Pride Center is a nonprofit organization exempt from federal income taxes under Internal Revenue Code Section 501(c) (3). However, if income from certain activities not directly related to the Organization's tax-exempt purpose were received, it would be subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organizations' tax returns for the years 2013-2018 remain open to Internal Revenue Service's Audit. Accordingly, no provision for federal income taxes has been made.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 2018, the FASB issued ASU 2018-08, "*Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.*" This ASU will assist entities in (1) evaluating whether a transaction should be accounted for as a contribution or as an exchange transactions and (2) determining whether the contribution is conditional. If the transaction is considered a contribution, the Organization should follow the guidance in Subtopic 958-605, Not-for-Profit Entities – Revenue Recognition. If the transaction is considered an exchange transaction, the Organization should follow other guidance, namely Topic 606, Revenue from Contracts with Customers. This ASU calls for a prospective modification basis in which on the first set of financial statements to be issued after the effective date of the amendment, all agreements should be modified that are either not completed as of the effective date or entered into after the

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effective date. The Organization may also adopt the ASU on a retrospective modification basis. This standard will be effective for fiscal years beginning after December 15, 2018 and early adoption is permitted. We are currently reviewing the provisions of this ASU to determine if there will be any significant impact on our statement of activities, cash flows or financial position.

In February 2017, the FASB issued ASU 2017-02, "*Leases*", which will amend current lease accounting to require lessees to recognize (i) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and (ii) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2017-02 does not significantly change lease accounting requirements applicable to lessors; however, certain changes were made to align, where necessary, lessor accounting with the lessee accounting model. This standard will be effective for fiscal years beginning after December 15, 2019. The Organization is currently reviewing the provisions of this ASU to determine if there will be any material impact on the statement of activities, cash flows or financial position.

In August 2016, the FASB issued ASU 2016-14, "*Presentation of Financial Statements of Not-for-Profit Entities*" (Topic 958). The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information, regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. This ASU calls for a retrospective modification basis in the year the Update is first applied. This ASU is effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2017. The Organization is currently reviewing the provisions of this ASU to determine if there will be any material impact on the statement of activities, cash flows or financial position.

In August 2016, the FASB issued ASU 2016-15, "*Statement of Cash Flows (Topic 230) – Classification of Certain Cash Receipts and Cash Payments*" which addresses eight specific cash flow issues with the objective of reducing the diversity in practice. In November 2016, the FASB issued ASU 2016-18, "*Statement of Cash Flows (Topic 230) – Restricted Cash*" which requires that a statement of cash flows explain the change during the period in the total cash, cash equivalents, and amount generally described as restricted cash or restricted cash equivalents. Both of these ASUs are effective for the Organization for the year ending December 31, 2019, with early adoption permitted. The Organization is currently reviewing the provisions of this ASU to determine if there will be any material impact on the statement of activities, cash flows or financial position.

In May 2014, the FASB issued ASU 2014-09, "*Revenue from Contracts with Customers*," which establishes a comprehensive revenue recognition standard for virtually all industries in U.S. GAAP, including those that previously followed industry specific guidance. For non-public entities, the new standard was originally effective for annual periods beginning after December 15, 2017. In August 2015,

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the FASB issued ASU 2015-4, “*Revenue from Contracts with Customers (Topic 606) – Deferral of Effective Date*,” which deferred the effective date for one year. Accordingly, this ASU will be effective for the Organization for the year ending December 31, 2019. The Organization is currently reviewing the provisions of this ASU to determine if there will be any material impact on the statement of activities, cash flows or financial position.

RECLASSIFICATIONS

Certain accounts in the 2017 consolidated financial statements have been reclassified to conform with the current year financial statement presentation.

NOTE 2 - FACILITY RENTAL INCOME

The Pride Center offers office and operating space to unrelated non-profit and for-profit entities in its 2040 Dixie Highway buildings located in Wilton Manors, Florida.

Eight lease agreements have been entered into expiring at various dates, the longest of which extends through September 2022. All leases provide cost of living or annual percentage rental increases.

Future minimum payments to be received under these non-cancelable lease agreements for the next five years are as follows:

	FY Years Ended June 30th:
	Lease Obligation
2019	\$ 104,868
2020	64,700
2021	39,000
2022	39,000
2023 and thereafter	19,500
Total minimum lease payments	\$ 267,068

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: *Level 1* inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; *Level 2* inputs consist of other than quoted prices included within Level 1 that are observable for the investments, either directly or indirectly; and *Level 3* inputs that are unobservable inputs for the investments and have the lowest priority. The Pride Center uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

Unrestricted investment income at June 30th consists of:

		<u>Year ended 2018</u>		<u>Year ended 2017</u>
Interest	\$	518	\$	157

NOTE 4 - COMMUNITY FOUNDATION, GRANT AND DESIGNATED FUNDS

The Pride Center has entered into two grant and agency endowment agreements with the Community Foundation of Broward, Inc. ("Foundation"). The agreement entered into on December 1, 2000 between the Foundation and Gilbert Corwin ("Donor") created the fund *"Gay and Lesbian Community Center of South Florida Fund"*. The second agreement, entered into on February 25, 2002 created the fund *"GLCC Unrestricted Endowment Fund"* and is referred to by the Foundation as the Kresge Challenge.

Additional contributions may be made to these two Funds at any time. Contributions are considered permanent and are held and administered solely by the Foundation and therefore are classified as a Permanently Restricted Fund of the Foundation. All contributions come from third parties and the Foundation recognizes the value of gifts received as assets and contribution revenue. It is the general policy of the Foundation to make distributions of investment income from these funds at least annually to the Pride Center. These distributions are unrestricted as to their use. During the years ended June 30th 2018 and 2017, The Pride Center received \$25,418 and \$26,078, respectively from the Funds and the fund balance (in both Funds as recorded by the Foundation) at June 30, 2018 and 2017 was \$439,157 and \$520,250, respectively.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment, net, consists of the following at June 30th:

	2018	2017
Equipment and telephone system	\$ 92,770	\$ 67,488
Furniture and Fixtures	86,013	64,535
Computer equipment	35,881	33,555
Building	2,517,500	2,517,500
Building improvements	1,303,038	1,253,162
Land	2,232,500	2,232,500
	<u>6,267,702</u>	<u>6,168,740</u>
Less accumulated depreciation	(1,048,989)	(930,497)
	<u>\$ 5,218,713</u>	<u>\$ 5,238,243</u>

The Pride Center opened their Equality Park location during February 2010, at which time all costs of Construction in Progress were classified as Building and Building Improvements and became depreciable at that time. Depreciation expense for the years ended June 30, 2018 and June 30, 2017 was \$118,492 and \$112,235, respectively.

NOTE 6 - SPECIAL EVENTS

Special events contribute to the fund-raising efforts of The Pride Center.

The following is a summary of the receipts and expenses associated with Special events for the year ended June 30, 2018:

Event	Receipts	Direct Expenses	Net Revenue
Wicked Manors	\$ 108,404	\$ 60,488	\$ 47,916
Flea Market	29,319	6,904	22,415
AIDS Walk	380,001	152,306	227,695
5K Rainbow Run	23,150	14,081	9,069
Diversity Honors Gala	68,693	20,910	47,783
Bingo	16,980	3,110	13,870
Other	28,157	34,127	(5,970)
Total	<u>\$ 654,704</u>	<u>\$ 291,926</u>	<u>\$ 362,778</u>

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

Special events for the year ended June 30, 2017 were as follows:

Event	Receipts	Direct Expenses	Net Revenue
Wicked Manors	\$ 116,593	\$ 62,425	\$ 54,168
Flea Market	37,569	5,763	31,806
5K Rainbow Run	34,225	14,794	19,431
Diversity Honors Gala	52,123	19,496	32,627
AIDS Walk	61,560	2,718	58,842
Bingo	22,198	9,567	12,631
Other	13,835	7,293	6,542
Total	<u>\$ 338,103</u>	<u>\$ 122,056</u>	<u>\$ 216,047</u>

NOTE 7 – ASSISTANCE FROM GOVERNMENTAL AGENCIES

The following details the reimbursements and receipts from governmental agencies for the years ended June 30, 2018 and June 30, 2017, respectively:

Federal Financial Assistance	2018	2017
Pass-through State programs from:		
Florida Department of Health		
BW603	\$ 100,000	\$ 100,000
CODMT	341,250	340,077
BW373/BW717	153,957	160,000
BW381/BW720	150,000	150,000
BW459/BW722	134,444	100,000
BW613/BW703	12,300	14,300
Grand Total	<u>\$ 891,951</u>	<u>\$ 864,377</u>

State of Florida

The Pride Center provides HIV Prevention Services for individuals who may be at high risk of acquiring or transmitting HIV infection regardless of race or ethnicity. The objectives are to decrease risk behavior and to reduce transmission of HIV/STD through individual risk-reduction planning and reducing barriers to successful behavioral change.

The Pride Center has entered into six (6) contracts with the State of Florida, Department of

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

Health: BW603, BW373/BW717, COMDT, BW381/BW720, BW613/BW703 AND BW459/BW722. The major program goals are to prevent spread of HIV infection, enhance HIV/AIDS awareness, HIV minority testing and teach risk-reduction methods as defined in the contracts.

NOTE 8 – RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes as of June 30th:

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Usage</u>	<u>Balance June 30, 2018</u>
Mortgage Payments	\$ 187,367	\$ -	\$ 23,728	\$ 163,639

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Usage</u>	<u>Balance June 30, 2017</u>
Mortgage Payments	\$ 187,367	\$ -	\$ -	\$ 187,367

NOTE 9 – MORTGAGE PAYABLE

In 2008, The Pride Center purchased property located in Wilton Manors, Florida of approximately 38,000 square feet of office/warehouse space located on approximately 6 acres of land for \$4,750,000. In connection with the purchase of the property, The Pride Center entered into a secured mortgage promissory note with a financial institution in the amount of \$3,325,000.

Effective May 22, 2013, the Center refinanced the mortgage note payable monthly at \$17,088 with a principal balance of \$3,220,946 at an initial rate of 3.2% through May 22, 2018 and at the lenders cost of funds for a 5 years adjustable rate plus 200 basis points through the maturity date of May 22, 2023. The new effective rate on the mortgage as of May 22, 2018 is 5.39%. The mortgage is guaranteed by all the real property at the Organization.

Maturities of the mortgage note for fiscal years after 2018 are as follows:

FY 2019	\$ 63,191
FY 2020	66,682
FY 2021	70,366
FY 2022	74,254
FY 2023	2,386,460
	<u>\$ 2,660,953</u>

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

NOTE 10 – NOTES PAYABLE

Members

The Pride Center entered into a one-year note payable agreement with an individual member dated September 25, 2009 for \$25,000, with interest at 5%. The note was uncollateralized and funds were used for working capital. As of June 30, 2018, \$25,000 of principal remains outstanding.

NOTE 11 - CONCENTRATIONS

The Organization receives 37% of its support from grants administered by a State agency. Changes in governmental appropriations could have a material adverse effect on the Organization's ability to continue to provide its services at the same level.

As of June 30, 2018 the Organization has a cash concentration of \$533,795 in excess of the FDIC limit.

As of June 30, 2018, the Organization has a concentration in the Unrecorded Promises to Give and Accounts Receivable of 61% related to a bequest the Organization was granted in March of 2018.

NOTE 12 - PROMISES TO GIVE AND TEMPORARILY RESTRICTED NET ASSETS

The balances of unconditional promises to give are as follows as of June 30, 2018 and 2017, respectively:

	<u>FY 2018</u>	<u>FY 2017</u>
Less than one year	237,015	121,404
One to five years	11,100	5,860
Less: Allowance for doubtful accounts	<u>(25,000)</u>	<u>(25,000)</u>
Net Promises to Give	<u>223,115</u>	<u>102,264</u>

At June 30, 2018 and 2017, promises to give includes \$223,115 and \$102,264, respectively, primarily from pledges from Pride Center's founders. These promises to give are collected through monthly payments throughout the year.

NOTE 13 - DATE OF MANAGEMENT'S REVIEW

On January 1, 2019, The State of Florida implemented new restrictions on grant awards which restrictions entities to only one grant with a maximum amount \$400,000. During 2018, the organization had five contracts with a combined total of \$950,000. Under the new State of Florida contract, the organization signed a new three year grant of \$350,000 per year totaling \$1,050,000. Due to the decrease in funding, the organization has had to eliminate certain programs not covered under the new grant and reduce its staffing. The organization continues to look for new funding opportunities to replace the lost funding.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2018 AND JUNE 30, 2017**

In preparing the financial statements, The Pride Center has evaluated events and transactions for potential recognition or disclosure through February 27, 2019, the date the financial statements were available to be issued.

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The Pride Center at Equality Park 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

<u>State Agency, Pass- Through Grantor, Program Title</u>	<u>CFDA # No.</u>	<u>Contract / Grant Number</u>	<u>Expenditures</u>
Florida Department of Health:			
Expanded Testing Initiative	*	93.940	\$ 153,957
HIP LIFE (Learning Immune Function Enhancement) and Healthy Relationships	*	93.940	341,250
HIV Prevention targeting Communities of Color	*	93.940	134,444
HIV Prevention; ARTAS Program; VOICES HIV Prevention;	*	93.940	150,000
Social Media Campaign	*	93.940	100,000
HEP C Testing	*	93.940	12,300
			<hr/>
Total Expenditures of Federal Awards			<u>\$ 891,951</u>

* Denotes a major program

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2017**

State Agency, Pass- Through Grantor, Program Title	CFDA # No.	Contract / Grant Number	Expenditures
Florida Department of Health:			
Expanded Testing Initiative	*	93.940	\$ 160,000
HIP LIFE (Learning Immune Function Enhancement) and Healthy Relationships	*	93.940	\$ 340,077
HIV Prevention targeting Communities of Color	*	93.940	100,000
HIV Prevention; ARTAS Program; VOICES HIV Prevention;	*	93.940	150,000
Social Media Campaign	*	93.940	100,000
HEP-C Testing	*	93.940	<u>14,300</u>
Total Expenditures of Federal Awards			<u>\$ 864,377</u>

* Denotes a major program

INTERNAL CONTROLS
AND
COMPLIANCE

**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**

To Board of Directors of the Pride Center at Equality Park
Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.
Wilton Manors, Florida

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 Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, 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 and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 6, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'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 as 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 Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, 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 Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'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 Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.'s internal control and compliance. According, this communication is not suitable for any other purpose.

Liggett & Webb, P.A.

LIGGETT & WEBB, P.A.
Certified Public Accountants
Boynton Beach, Florida
February 27, 2019

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

To Board of Directors of the Pride Center at Equality Park
Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc.
Wilton Manors, Florida

Report on Compliance for Each Major Federal Program

We have audited The Pride Center at Equality Park, Gay & Lesbian Community Center of Greater Fort Lauderdale, Inc. (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2018. The Organization's major federal programs are identified in summary of auditor's 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 grant applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs 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; and 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). Those standards and the Uniform Guidance 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 occurred. An audit includes examining, on a test basis, evidence about the Organization'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. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

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 for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program 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 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 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 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 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. 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 the testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Liggett & Webb, P.A.

LIGGETT & WEBB, P.A.
Certified Public Accountants
Boynton Beach, Florida
February 27, 2019

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
MAJOR FEDERAL AWARD PROGRAMS
YEAR ENDED JUNE 30, 2018**

I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued:			Unqualified	
Internal control over financial reporting:				
Material weakness(s) identified	_____	Yes	_____ X _____	No
Significant deficiency(s) identified that are not considered to be material weakness(s)	_____ X _____	Yes	_____	No
Noncompliance material to financial statements noted	_____	Yes	_____ X _____	No

Federal Financial Assistance

Internal control over major programs:				
Material weakness(s) identified	_____	Yes	_____ X _____	No
Significant deficiency(s) identified that are not considered to be material weakness(s)	_____	Yes	_____ X _____	No

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

Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter 10.650				
	_____	Yes	_____ X _____	No

Identification of major programs:

Federal Awards

Number	Name of State Program or Cluster
93.940	Organizations Florida Department of Health: L.I.F.E. and Healthy Relationships

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

Auditee qualified as low-risk auditee				
	_____ X _____	Yes	_____	No

**THE PRIDE CENTER AT EQUALITY PARK, GAY & LESBIAN COMMUNITY CENTER
OF GREATER FORT LAUDERDALE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
MAJOR FEDERAL AWARD PROGRAMS
YEAR ENDED JUNE 30, 2018**

II – FINANCIAL STATEMENT FINDINGS

No matters reported.

**III - FINDINGS AND QUESTIONED COSTS FOR MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

No matters reported.

IV - OTHER ISSUES

The prior year single audit disclosed the following findings in the Schedule of Findings and Questioned Costs- Major Federal Award Programs.

NONE

The prior year finding and questioned costs – Major Federal Award Programs.

NONE

A separate management letter was issued because there were findings required to be reported in the management letter.