

Big Brothers Big Sisters Of Tampa Bay, Inc.

Financial Statements

August 31, 2019 and 2018

And

Reports of Independent
Certified Public Accountants



BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Big Brothers Big Sisters of Tampa Bay, Inc.
Tampa, Florida

Report on Financial Statements

We have audited the accompanying financial statements of Big Brothers Big Sisters of Tampa Bay, Inc. (the Organization), which comprise the statements of financial position as of August 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, the related statement of functional expenses for the year ended August 31, 2019, 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 audits. We conducted our audits 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.

CONTINUED

INDEPENDENT AUDITOR'S REPORT - CONTINUED

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Big Brothers Big Sisters of Tampa Bay, Inc. as of August 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2018 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 12, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2018, is consistent, in all material respects, with the audited financial statements from which it was derived.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, *Rules of the Auditor General, State of Florida* 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 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 2, 2019, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Organization's internal control over financial reporting and compliance.

PDR CPAs + Advisors

Oldsmar, Florida
December 2, 2019

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2019 AND 2018

| | 2019 | 2018 |
|--|---------------------|---------------------|
| <u>ASSETS</u> | | |
| Cash | \$ 1,062,429 | \$ 1,194,879 |
| Restricted cash | 3,690 | 7,676 |
| Grants receivable | 425,546 | 368,297 |
| Unconditional promises to give, net | 64,613 | 67,581 |
| Other receivables | 138,057 | 44,171 |
| Beneficial interest in perpetual trusts - CFTB | 254,282 | 252,809 |
| Beneficial interest in a perpetual trust - PCF | 14,382 | 13,880 |
| Property and equipment, net | 405,053 | 403,104 |
| Other assets | 87,798 | 147,457 |
| Total Assets | \$ 2,455,850 | \$ 2,499,854 |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Liabilities | | |
| Accounts payable and accrued expenses | \$ 180,436 | \$ 248,480 |
| Deferred revenue | 170,369 | 180,065 |
| Notes payable, net | 107,328 | 124,196 |
| Total liabilities | 458,133 | 552,741 |
| Net Assets | | |
| Without donor restrictions | 1,480,721 | 1,388,542 |
| With donor restrictions | 516,996 | 558,571 |
| Total net assets | 1,997,717 | 1,947,113 |
| Total Liabilities and Net Assets | \$ 2,455,850 | \$ 2,499,854 |

See accompanying notes to financial statements

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

| | Without Donor | With Donor | Total | |
|--|---------------------|-------------------|---------------------|---------------------|
| | Restrictions | Restrictions | 2019 | 2018 |
| Operating Support and Revenue | | | | |
| Public Support | | | | |
| United Way | \$ 355,372 | \$ - | \$ 355,372 | \$ 413,096 |
| Government support | 2,634,818 | - | 2,634,818 | 2,547,256 |
| Scholarship revenue | - | 5,000 | 5,000 | 12,054 |
| Contributions | 292,489 | 161,552 | 454,041 | 437,729 |
| Special events, net of direct costs of \$556,019 | 1,169,550 | - | 1,169,550 | 1,187,119 |
| Foundations and grants | 568,379 | - | 568,379 | 579,886 |
| Wills and bequests | - | - | - | 58,174 |
| Social entrepreneurship | 18,680 | - | 18,680 | 40,796 |
| Investment income | 8,969 | 9,196 | 18,165 | 23,625 |
| Net assets released from restriction | 217,323 | (217,323) | - | - |
| Total operating support and revenue | 5,265,580 | (41,575) | 5,224,005 | 5,299,735 |
| Operating Expenses | | | | |
| Program services | 4,402,203 | - | 4,402,203 | 4,370,585 |
| Supporting services: | | | | |
| Management and general | 246,395 | - | 246,395 | 293,808 |
| Fundraising | 543,842 | - | 543,842 | 557,902 |
| Total operating expenses | 5,192,440 | - | 5,192,440 | 5,222,295 |
| Change in Net Assets Before Other Changes | 73,140 | (41,575) | 31,565 | 77,440 |
| Other Changes - Revenue (Expense) | | | | |
| Other income | 19,632 | - | 19,632 | 11,912 |
| Loss on asset disposal | (593) | - | (593) | - |
| Total other changes | 19,039 | - | 19,039 | 11,912 |
| Change in Net Assets | 92,179 | (41,575) | 50,604 | 89,352 |
| Net Assets at Beginning of Year | 1,388,542 | 558,571 | 1,947,113 | 1,857,761 |
| Net Assets at End of Year | \$ 1,480,721 | \$ 516,996 | \$ 1,997,717 | \$ 1,947,113 |

See accompanying notes to financial statements

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2018

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|--|---------------------------------------|------------------------------------|---------------------|
| Operating Support and Revenue | | | |
| Public Support | | | |
| United Way | \$ 413,096 | \$ - | \$ 413,096 |
| Government support | 2,547,256 | - | 2,547,256 |
| Scholarship revenue | - | 12,054 | 12,054 |
| Contributions | 212,435 | 225,294 | 437,729 |
| Special events, net of direct costs of \$564,554 | 1,187,119 | - | 1,187,119 |
| Foundations and grants | 579,886 | - | 579,886 |
| Wills and bequests | 58,174 | - | 58,174 |
| Social entrepreneurship | 40,796 | - | 40,796 |
| Investment income | 7,513 | 16,112 | 23,625 |
| Net assets released from restriction | 138,403 | (138,403) | - |
| Total operating support and revenue | 5,184,678 | 115,057 | 5,299,735 |
| Operating Expenses | | | |
| Program services | 4,370,585 | - | 4,370,585 |
| Supporting services: | | | |
| Management and general | 293,808 | - | 293,808 |
| Fundraising | 557,902 | - | 557,902 |
| Total operating expenses | 5,222,295 | - | 5,222,295 |
| Change in Net Assets Before Other Changes | (37,617) | 115,057 | 77,440 |
| Other Changes - Revenue (Expense) | | | |
| Other income | 11,912 | - | 11,912 |
| Total other changes | 11,912 | - | 11,912 |
| Change in Net Assets | (25,705) | 115,057 | 89,352 |
| Net Assets at Beginning of Year | 1,414,247 | 443,514 | 1,857,761 |
| Net Assets at End of Year | \$ 1,388,542 | \$ 558,571 | \$ 1,947,113 |

See accompanying notes to financial statements

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

| | Supporting Services | | | | Total | |
|--|---------------------|---------------------------|-------------------|---------------------------------|--------------------|--------------------|
| | Program Services | Management and General | Fundraising | Total Supporting Services | Total | |
| | | | | | 2019 | 2018 |
| Salaries | \$2,837,984 | \$ 168,928 | \$ 371,641 | \$ 540,569 | \$3,378,553 | \$3,430,562 |
| Employee benefits | 304,678 | 18,136 | 39,898 | 58,034 | 362,712 | 345,492 |
| Payroll taxes | 203,616 | 12,120 | 26,664 | 38,784 | 242,400 | 243,365 |
| Total salaries and related expenses | 3,346,278 | 199,184 | 438,203 | 637,387 | 3,983,665 | 4,019,419 |
| In-kind advertising | 11,125 | - | 1,375 | 1,375 | 12,500 | 15,000 |
| In-kind program | 76,894 | - | - | - | 76,894 | 120,991 |
| Professional fees | 100,149 | 5,961 | 13,115 | 19,076 | 119,225 | 102,372 |
| Rent | 129,314 | 7,697 | 16,934 | 24,631 | 153,945 | 153,345 |
| Program expenses | 156,974 | - | - | - | 156,974 | 153,202 |
| Office | 91,806 | 5,465 | 12,022 | 17,487 | 109,293 | 109,737 |
| Insurance | 90,492 | 5,386 | 11,850 | 17,236 | 107,728 | 94,197 |
| Dues | 49,866 | 2,968 | 6,530 | 9,498 | 59,364 | 60,446 |
| Telephone | 93,540 | 5,568 | 12,249 | 17,817 | 111,357 | 108,645 |
| Bad debt | - | - | 400 | 400 | 400 | 17,005 |
| Printing | 63,676 | 3,790 | 8,339 | 12,129 | 75,805 | 65,637 |
| Agency activities | 33,366 | 1,986 | 4,369 | 6,355 | 39,721 | 16,155 |
| Miscellaneous | 37,623 | 2,239 | 4,927 | 7,166 | 44,789 | 43,320 |
| Utilities | 10,728 | 639 | 1,405 | 2,044 | 12,772 | 12,753 |
| Postage | 8,804 | 524 | 1,153 | 1,677 | 10,481 | 9,931 |
| Conferences and conventions | 20,725 | 1,234 | 2,714 | 3,948 | 24,673 | 31,762 |
| Interest expense | 4,254 | 253 | 557 | 810 | 5,064 | 5,745 |
| Scholarship awards | 12,250 | - | - | - | 12,250 | 10,500 |
| Social entrepreneurship | 5,535 | - | - | - | 5,535 | 8,807 |
| Maintenance | 4,951 | 295 | 648 | 943 | 5,894 | 4,327 |
| Total expenses before depreciation | 1,002,072 | 44,005 | 98,587 | 142,592 | 1,144,664 | 1,143,877 |
| | 4,348,350 | 243,189 | 536,790 | 779,979 | 5,128,329 | 5,163,296 |
| Depreciation | 53,853 | 3,206 | 7,052 | 10,258 | 64,111 | 58,999 |
| | \$4,402,203 | \$ 246,395 | \$ 543,842 | \$ 790,237 | \$5,192,440 | \$5,222,295 |

See accompanying notes to financial statements

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2019 AND 2018

| | 2019 | 2018 |
|--|---------------------|---------------------|
| Cash Flows from Operating Activities: | | |
| Change in net assets | \$ 50,604 | \$ 89,352 |
| Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities: | | |
| Depreciation and amortization | 64,111 | 58,999 |
| Amortization of loan costs charged to interest expense | 270 | 270 |
| Loss on asset disposal | 593 | - |
| (Increase) decrease in: | | |
| Grants receivable | (57,249) | (119,519) |
| Unconditional promises to give | 2,968 | 42,837 |
| Other receivables | (93,886) | 110,670 |
| Beneficial interest in a perpetual trusts | (1,975) | (8,716) |
| Other assets | 59,659 | 30,683 |
| Increase (decrease) in: | | |
| Accounts payable and accrued expenses | (68,044) | 31,943 |
| Deferred revenue | (9,696) | (148,074) |
| | (52,645) | 88,445 |
| Net cash (used in) provided by operating activities | (52,645) | 88,445 |
| Cash Flows from Investing Activities: | | |
| Cash paid for purchase of property and equipment | (66,653) | (35,607) |
| Cash Flows from Financing Activities: | | |
| Principal payments on notes payable | (17,138) | (16,457) |
| Net (Decrease) Increase in Cash | (136,436) | 36,381 |
| Total Cash at Beginning of Year | 1,202,555 | 1,166,174 |
| Total Cash at End of Year | \$ 1,066,119 | \$ 1,202,555 |
| Total cash consisted of the following at August 31: | | |
| Cash | \$ 1,062,429 | \$ 1,194,879 |
| Restricted cash | 3,690 | 7,676 |
| | \$ 1,066,119 | \$ 1,202,555 |
| Supplemental Disclosures of Cash Flow Information: | | |
| Cash paid during the year for interest | \$ 4,794 | \$ 5,475 |

See accompanying notes to financial statements

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE A - NATURE OF ORGANIZATION

Big Brothers Big Sisters of Tampa Bay, Inc. (the Organization) is a not-for-profit organization whose mission is to create and support one-to-one mentoring relationships that ignite the power and promise of youth. With a focus on educational success and avoidance of risky behaviors, the Organization provides services in Alachua, Hillsborough, Marion, Pinellas, Polk, Pasco, Hernando, Citrus, and Sumter Counties. The Organization uses a case management approach to service delivery. The primary providers of direct services are volunteers who serve as mentors through match relationships within community or school-based program components. The Organization thoroughly screens volunteers who make a commitment in order to assure a regular, consistent relationship for the child. Professional staff monitors the service delivery and tracks both the progression of the match relationship and each client and volunteer on a case-by-case basis. Professional staff assists participants in developing and maintaining positive and beneficial mentoring relationships.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenue of the net assets without donor restrictions class. Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional.

Federal, state and local government and other grants are recognized as support when performance occurs pursuant to the contract agreement.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services. Nonoperating activities, if any, are limited to other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates included in the financial statements include allocation of expenses by function, useful lives of depreciable assets, fair value of certain investment assets, and the allowance for uncollectable pledges.

Fair Value Measurement

The financial statements are prepared in accordance with an accounting standard, for all financial assets and liabilities and for nonfinancial assets and liabilities recognized or disclosed at fair value in the financial statements or on a recurring basis (at least annually). Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. The standard also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and Restricted Cash

Cash consists of cash on deposit with financial institutions and petty cash funds. The Organization considers all highly liquid investments with an initial maturity of three months or less as cash. The Organization maintains a separate cash account for the restricted scholarship funds. This restricted cash account totaled \$3,690 and \$7,676 at August 31, 2019 and 2018, respectively.

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash held in financial institutions in excess of federally-insured limits. From time to time throughout the years ended August 31, 2019 and 2018, the Organization's cash balance may have exceeded the federally insured limit. However, the Organization has not experienced and does not expect to incur any losses in such accounts.

Grants and Other Receivables

The Organization records a receivable and revenue at the time funds are earned. Management estimates the allowance for uncollectible grants and other receivables based on a review of the individual receivables outstanding as of the end of the year. Management writes off receivables as identified against the allowance amount. As of August 31, 2019 and 2018, the Organization considered all receivables to be fully collectible and no allowance was necessary.

Unconditional Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded as contributions receivable at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated cash flows. Conditional promises to give are not included as support until the conditions are substantially met.

Unconditional promises to give which are due in more than one year are recorded at estimated fair value by discounting future cash flows using current risk-free rates of return based on U.S. Treasury Securities yields with maturity dates similar to the expected contribution collection period. The Organization uses the allowance method to determine uncollectible unconditional promises. The allowance is based on prior years' experience and management's analysis of specific promises made. As of August 31, 2019 and 2018, the Organization recorded an allowance of approximately \$8,000 and \$15,000, respectively.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Beneficial Interest in a Perpetual Trust

In accordance with guidance related to accounting for contributions held by an organization for the benefit of another organization, which states that organizations that transfer assets to other not-for-profit agencies who specify themselves or their affiliates as the beneficiaries, and have not granted variance power, are not considered expenses and are recorded as a beneficial interest in assets held by others in the statements of financial position at fair value.

Property and Equipment

Property and equipment are recorded at acquisition cost, including costs necessary to prepare the asset for its intended use, or, if donated, at estimated fair value at the date of donation. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the assets ranging from three to thirty-nine years.

Maintenance and repairs are charged to expense as incurred, while renewals and betterments in excess of \$500 are capitalized.

Loan Costs

Loan costs related to the refinance of a mortgage are being amortized on a straight-line basis over the term of the loan. The amount is included in notes payable, net in the statements of financial position.

Deferred Revenue

Deferred revenue recorded in the statements of financial position consists of sponsorships and donations collected prior to period-end that relate to special events scheduled to take place in the subsequent year.

Noncash Contributions

Donated materials are recorded as support at their fair value at the date of donation. Contributions of services are recorded as support at their estimated fair value if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the years ended August 31, 2019 and 2018, the value of contributed services meeting the requirements for recognition in the financial statements has been recorded as unrestricted support. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services under the financial accounting standards.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Functional Classification of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities.

Program and supporting expenses, when specifically identifiable, are classified to the function which incurred the expense. Those specifically identifiable include in-kind program, program expenses, bad debt, scholarship awards and social entrepreneurship. All other expenses are allocated among program, management and general, and fundraising based upon the ratio of employee time involved. The percentages applied are as follows for each of the years ended August 31, 2019 and 2018:

| | <u>2019</u> | <u>2018</u> |
|------------------------|-------------|-------------|
| Program services | 85% | 84% |
| Management and general | 4% | 5% |
| Fundraising | <u>11%</u> | <u>11%</u> |
| | <u>100%</u> | <u>100%</u> |

Income Tax Status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Uncertain Tax Positions

The Organization accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. The Organization has identified its tax status as a tax-exempt entity as its only significant tax position; however, the Organization has determined that such tax position does not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. The Organization’s federal returns are generally open for examination for three years following the date filed.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Summarized Comparative Information

The accompanying financial statements include certain prior year summarized comparative total amounts. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended August 31, 2018 from which summarized information was derived.

New Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board issued Accounting Standards Update 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly.

NOTE C - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at August 31:

| | <u>2019</u> | <u>2018</u> |
|--|---------------------|---------------------|
| Financial Assets: | | |
| Cash | \$ 1,062,429 | \$ 1,194,879 |
| Grants and other receivables | 563,603 | 412,468 |
| Unconditional promises to give, net | <u>64,613</u> | <u>67,581</u> |
| Total financial assets | 1,690,645 | 1,674,928 |
| Less Amounts Not Available to be Used Within One Year: | | |
| Net assets with donor restrictions | <u>516,996</u> | <u>558,571</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 1,173,649</u> | <u>\$ 1,116,357</u> |

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As described in **Note H**, the Organization also has a \$400,000 line-of-credit available. As part of its liquidity plan, excess cash is invested in a separate money market account.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE D - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following at August 31:

| | <u>2019</u> | <u>2018</u> |
|---------------------------------------|------------------|------------------|
| Gross unconditional promises to give | \$ 73,417 | \$ 85,278 |
| Less: Unamortized discount | (1,304) | (2,697) |
| Less: Allowance for doubtful accounts | <u>(7,500)</u> | <u>(15,000)</u> |
| Net unconditional promises to give | <u>\$ 64,613</u> | <u>\$ 67,581</u> |
| Amounts due in: | | |
| Less than one year | \$ 52,967 | \$ 41,538 |
| One to five years | 18,050 | 39,810 |
| Thereafter | <u>2,400</u> | <u>3,930</u> |
| | <u>\$ 73,417</u> | <u>\$ 85,278</u> |

For the years ended August 31, 2019 and 2018, \$400 and \$17,005, respectively, was deemed uncollectible and written off to bad debt expense.

NOTE E - BENEFICIAL INTEREST IN A PERPETUAL TRUST

The Organization receives income from certain endowment funds that are neither in the Organization's possession nor under its control. These external endowment assets are held in perpetuity and are invested and managed by outside trustees in accordance with trust agreements as directed by the donors.

In 2002, the Organization established an endowment account with the Pinellas Community Foundation (PCF) in the amount of \$10,000. It is the intent of the donors and the Organization to accumulate donations and earnings until the fund reaches a balance of \$25,000. In 2009, the Organization established the Charles Manly endowment account with the Community Foundation of Tampa Bay (CFTB). Although the Organization does not have the right to receive the endowment assets per the Trust Agreements, the contributions to the endowment funds are considered assets of the Organization as it has been named beneficiary. Earnings on the endowment funds are periodically distributed to the Organization in accordance with the trust agreements.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE E - BENEFICIAL INTEREST IN A PERPETUAL TRUST - CONTINUED

In 2013, the Organization established a scholarship endowment account with the Community Foundation of Tampa Bay. The Organization utilized CFTB's Leave a Challenge Grant Program (the Grant Program) which incorporates a one-to-three match. The Organization had a goal of raising \$50,000 with \$37,500 to be raised by the Organization and \$12,500 to be awarded through the Grant Program. In January 2014, the Organization was awarded the challenge grant by CFTB. Although the Organization does not have the right to receive the endowment assets per the Trust Agreement, the contribution to the endowment fund is considered an asset of the Organization as it has been named beneficiary. Earnings on the endowment funds are distributed to the Organization semi-annually at a distribution rate between 3.5% - 5.5% of the fund's balance as of December 31st of the year preceding the distribution and are to be expended for scholarships. For 2019, the spending policy is 4% of the December 31, 2018 endowment account balance. For 2018, the spending policy is 4% of the December 31, 2017 endowment account balance.

NOTE F - FAIR VALUE MEASUREMENT

The Organization's investments are reported at fair value in the accompanying statements of financial position. Following is a description of valuation methodologies used for investments measured at fair value.

Beneficial interest in a perpetual trust - The investments are managed by a third party which is unrelated to this organization. The trust assets are valued based upon the third party information without adjustment. The Organization does not develop nor are they provided with the quantitative inputs used to develop the fair market values.

Fair values of assets measured on a recurring basis at August 31, 2019 are as follows:

| Fair Value Measurements at Reporting Date Using | | | | |
|--|---|--|--|---------------------------------|
| Description | Quoted Prices In Active Markets for Identical Assets Level 1 | Significant Other Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 | Total Fair Value |
| Investments: | | | | |
| Beneficial interest in perpetual trusts | \$ - | \$ - | \$ 268,664 | \$ 268,664 |

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE F - FAIR VALUE MEASUREMENT - CONTINUED

Fair values of assets measured on a recurring basis at August 31, 2018 are as follows:

| Fair Value Measurements at Reporting Date Using | | | | |
|--|---|--|--|---------------------------------|
| Description | Quoted Prices In Active Markets for Identical Assets Level 1 | Significant Other Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 | Total Fair Value |
| Investments: | | | | |
| Beneficial interest in perpetual trusts | \$ - | \$ - | \$ 266,689 | \$ 266,689 |

The following is a summary of changes in the fair value of the Organization's Level 3 assets for the years ended August 31:

| | 2019 | 2018 |
|---------------------------|-------------|-------------|
| Balance, September 1 | \$ 266,689 | \$ 257,973 |
| Contributions | 2,500 | 4,680 |
| Released from restriction | (9,721) | (12,067) |
| Investment income | 9,196 | 16,103 |
| Balance, August 31 | \$ 268,664 | \$ 266,689 |

NOTE G - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at August 31:

| | 2019 | 2018 |
|-------------------------------|-------------|-------------|
| Building and improvements | \$ 471,317 | \$ 429,447 |
| Land | 44,000 | 44,000 |
| Office equipment | 368,617 | 348,384 |
| Leasehold improvements | 11,867 | 11,867 |
| | 895,801 | 833,698 |
| Less accumulated depreciation | (490,748) | (430,594) |
| | \$ 405,053 | \$ 403,104 |

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE H - LINE- OF-CREDIT

The Organization had a \$400,000 revolving line-of-credit available at a financial institution at August 31, 2019 and 2018, with no stated maturity date. The interest rate on this line-of-credit is one month LIBOR plus 2.875% (4.25% and 4.50% at August 31, 2019 and 2018, respectively). The line-of-credit is collateralized by substantially all assets of the Organization. There were no amounts outstanding on the line-of-credit at August 31, 2019 and 2018. The Organization had \$400,000 available for use at August 31, 2019 and 2018.

NOTE I - NOTES PAYABLE

Notes payable consist of the following at August 31:

| | 2019 | 2018 |
|--|-------------------|-------------------|
| Mortgage payable to a bank, due in monthly installments of \$1,828 including interest at 4.0%, due May 2025, collateralized by the real estate | \$ 108,853 | \$ 125,991 |
| Loan costs | (2,695) | (2,695) |
| Accumulated amortization | 1,170 | 900 |
| Notes payable, net | \$ 107,328 | \$ 124,196 |

The following is a summary of the future debt maturities and future amortization of loan costs during each of the following years ending August 31 and thereafter:

| August 31, | Debt Service | Amortization |
|-------------------|---------------------|---------------------|
| 2020 | \$ 17,692 | \$ 270 |
| 2021 | 18,435 | 270 |
| 2022 | 19,196 | 270 |
| 2023 | 19,990 | 270 |
| 2024 | 20,812 | 270 |
| Thereafter | 12,728 | 175 |
| | \$ 108,853 | \$ 1,525 |

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS

Virtually all of the restrictions on net assets for the years ended August 31, 2019 and 2018 are related to funds received from private foundations, corporate donors, grants, and time restricted multi-year pledges. Certain of the use-restricted funds are restricted for the purpose of match events and activities.

At August 31, 2019 and 2018, net assets with donor restrictions consisted of the following:

| | <u>2019</u> | <u>2018</u> |
|---|-------------------|-------------------|
| Time-restricted | \$ 68,951 | \$ 80,812 |
| Beneficial interests in perpetual trusts | 268,664 | 266,689 |
| Scholarship Fund | 6,995 | 7,676 |
| Match Activities | 56,930 | 56,247 |
| Military Mentoring | 20,001 | 14,275 |
| Bigs in Blue | 45,000 | 54,622 |
| School to Work | 39,782 | 42,000 |
| Mentoring Children of Incarcerated Parent | - | 11,250 |
| Big Futures | 1,356 | 25,000 |
| Other | 9,317 | - |
| | <u>\$ 516,996</u> | <u>\$ 558,571</u> |

NOTE K - CONTRIBUTED SERVICES AND MATERIALS

During the years ended August 31, 2019 and 2018, approximately \$250,000 and \$427,000, respectively, of services and materials were donated to the Organization and reported as unrestricted support in the statements of activities. These contributions included donated advertising, tickets for match activities, property and equipment, and donated event auction items.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE L - COMMITMENTS AND CONTINGENCIES

The Organization leases certain equipment under various operating leases. The terms of these leases range from 36 months to 63 months. The total expense paid during the years ended August 31, 2019 and 2018 related to these leases were approximately \$240,000 and \$229,000, respectively.

Based on the terms of the agreements, minimum payments due on all leases are as follows:

| <u>Years Ending August 31,</u> | <u>Amount</u> |
|------------------------------------|-------------------|
| 2020 | \$ 207,076 |
| 2021 | 191,673 |
| 2022 | 54,356 |
| 2023 | <u>35,451</u> |
| | <u>\$ 488,556</u> |

NOTE M - RETIREMENT PLAN

The Organization has a 401k plan to which it may match a portion of eligible employee contributions. The Organization is not required to make a contribution in any given year. Contributions made during the years ended August 31, 2019 and 2018 were \$20,845 and \$19,771, respectively.

NOTE N - CONCENTRATION OF RISK

The Organization receives a substantial amount of support from grantor agencies for its programs (approximately 57% and 56% for the years ended August 31, 2019 and 2018), consisting of \$355,372 and \$413,096 from the United Way and \$2,634,818 and \$2,547,256 from various state and local grants. If support from one or more of these granting agencies were to be reduced or eliminated, it could affect the operation of the supported programs. In addition, the Organization is subject to audit examination by grantor agencies. In the event that reimbursed expenditures were disallowed, repayments would be required.

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2019 AND 2018

NOTE O - RELATED PARTY

The Organization is charged an annual support service fee by Big Brothers Big Sisters of America (National Office) and Big Brothers Big Sisters Association of Florida (State Office) based on a percentage of annual expenditures. This fee is for organizational and management services provided by the National and State offices. The Organization recognized national and state support expense of approximately \$77,000 and \$62,000 for the years ended August 31, 2019 and 2018, respectively, and is included in dues expense in the accompanying statement of functional expenses.

NOTE P - SUBSEQUENT EVENTS

The Organization evaluated subsequent events through December 2, 2019, the date the financial statements were available to be issued. The Organization is not aware of any subsequent events which would require recognition or disclosures in the financial statements.

SUPPLEMENTARY INFORMATION

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED AUGUST 31, 2019**

| Florida State Agency/ Program Title/ Florida State Project Title | CSFA Number | Contract Number | Expenditures |
|---|------------------------|----------------------------|----------------------------|
| State of Florida Department of Education | | | |
| Passed through: | | | |
| Big Brothers Big Sisters Association of Florida, Inc. | | | |
| Mentoring / Student Assistance Initiatives | | | |
| Bigs Inspiring Scholastic Success | | | |
| | 48.068 | 96448 | \$ 543,039 |
| State of Florida Department of Juvenile Justice | | | |
| Passed through: | | | |
| Big Brothers Big Sisters Association of Florida, Inc. | | | |
| Delinquency Protection | | | |
| Mentoring Children of Incarcerated Parents | | | |
| | 80.029 | 10525 | 482,420 |
| State of Florida Department of Economic Opportunity | | | |
| Passed through: | | | |
| Big Brothers Big Sisters Association of Florida, Inc. | | | |
| Workplace Mentoring | | | |
| School to Work | | | |
| | 40.037 | WL025 | <u>38,396</u> |
| Total Expenditures of State Financial Assistance | | | <u>\$ 1,063,855</u> |

See accompanying notes to schedule of expenditures of state financial assistance

BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED AUGUST 31, 2019

BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (Schedule) includes the State of Florida project activity of Big Brothers Big Sisters of Tampa Bay, Inc. and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations and the requirements of Chapter 10.650, *Rules of the Auditor General, State of Florida*. Because the Schedule presents only a selected portion of the operations of Big Brothers Big Sisters of Tampa Bay, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Big Brothers Big Sisters of Tampa Bay, Inc.

CONTINGENCIES

Expenditures incurred by the Organization are subject to audit and possible disallowance by the State of Florida Departments of Education, Juvenile Justice, and Economic Opportunity. Management believes that if audited, any adjustments for disallowed expenses would be immaterial in amount.



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

To the Board of Directors
Big Brothers Big Sisters of Tampa Bay, Inc.
Tampa, 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 Big Brothers Big Sisters of Tampa Bay, Inc. (the Organization) which comprise the statement of financial position as of August 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 2, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

CONTINUED

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS - CONTINUED**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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 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.

PDR CPAs + Advisors

Oldsmar, Florida
December 2, 2019



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR STATE PROJECT AND ON
INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY CHAPTER 10.650, RULES OF THE
AUDITOR GENERAL, STATE OF FLORIDA**

To the Board of Directors
Big Brothers Big Sisters of Tampa Bay, Inc.
Tampa, Florida

Report on Compliance for Each Major State Project

We have audited Big Brothers Big Sisters of Tampa Bay, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *Florida Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major state projects for the year ended August 31, 2019. The Organization's major state projects are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major 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; and Chapter 10.650, Rules of the Auditor General, State of Florida. Those standards and Chapter 10.650, Rules of the Auditor General, State of Florida 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 state project 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 state project. However, our audit does not provide a legal determination of the Organization's compliance.

CONTINUED

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR STATE PROJECT AND ON
INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY CHAPTER 10.650, RULES OF THE
AUDITOR GENERAL, STATE OF FLORIDA -
CONTINUED**

Opinion on Each Major State Project

In our opinion, Big Brothers Big Sisters of Tampa Bay, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended August 31, 2019.

Report on Internal Control over Compliance

Management of the Organization 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 Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, State of Florida, 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 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 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 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. 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 Chapter 10.650, Rules of the Auditor General, State of Florida. Accordingly, this report is not suitable for any other purpose.

PDR CPAs + Advisors

Oldsmar, Florida
December 2, 2019

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 STATE PROJECTS
 YEAR ENDED AUGUST 31, 2019**

Part I - Summary of Auditor's Results

Financial Statements Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? yes no

Significant deficiencies identified not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

State Project Section

Internal control over major state projects:

Material weaknesses identified? yes no

Significant deficiencies identified not considered to be material weaknesses? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 yes no

Identification of Major State Project:

| CSFA Number | Name of Project |
|-------------|--|
| 48.068 | Mentoring / Student Assistance Initiatives |
| 80.029 | Delinquency Prevention |

Dollar threshold used to determine Type A State Project: \$ 319,157

Auditee qualified as low-risk auditee? yes no

**BIG BROTHERS BIG SISTERS OF TAMPA BAY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
STATE PROJECTS - CONTINUED
YEAR ENDED AUGUST 31, 2019**

Part II - Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weakness, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no reportable findings.

Part III – State Project Findings and Questioned Costs

This section identifies the significant deficiencies, material weakness, and instances of noncompliance, including questioned costs, related to the audit of major state projects, as required to be reported by Chapter 10.650, Rules of the Auditor General, State of Florida.

There were no reportable findings.

Part IV - Summary Schedule of Prior Audit Findings

A Summary Schedule of Prior Audit Findings is not necessary since there were no prior audit findings related to a major state project.