

**TRANSITIONAL LIVING OF NORTH  
CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING  
OF NORTH CENTRAL FLORIDA**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2023 AND 2022**

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
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SEPTEMBER 30, 2023 AND 2022**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
Transitional Living of North Central Florida, Inc.  
d/b/a Center for Independent Living of North Central Florida:

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

#### ***Opinion***

We have audited the financial statements of Transitional Living of North Central Florida, Inc. Transitional Living of North Central Florida, Inc. (the Organization), which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activity, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 30, 2023 and 2022, 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.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

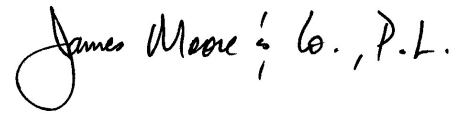
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

## ***Supplementary 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 Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance) 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 audits 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 Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 1, 2024, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Transitional Living of North Central Florida, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looping initial "J".

Gainesville, Florida  
April 1, 2024

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2023 AND 2022**

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
<b>Current assets</b>		
Cash and cash equivalents	\$ 555,399	\$ 674,431
Grants and contracts receivable	231,943	164,146
Other receivables	116,139	115,805
Prepaid expenses	918	50
Total current assets	<u>904,399</u>	<u>954,432</u>
<b>Property and equipment, net</b>	1,030,792	1,070,721
<b>Total Assets</b>	<u><u>\$ 1,935,191</u></u>	<u><u>\$ 2,025,153</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>  		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 121,923	\$ 139,609
Refundable advance	32,413	-
Total current liabilities	<u>154,336</u>	<u>139,609</u>
<b>Net assets</b>		
Without donor restriction		
Without donor restrictions, invested in property and equipment	1,030,792	1,070,721
Without donor restrictions, undesignated	750,063	814,823
Total net assets without donor restrictions	<u>1,780,855</u>	<u>1,885,544</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 1,935,191</u></u>	<u><u>\$ 2,025,153</u></u>

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

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>Support and revenue</b>		
Grants and contracts	\$ 1,649,276	\$ 1,548,767
Contributions	25,174	41,099
Fees for services	724,460	640,848
Other income	12,480	9,440
Total support and revenue	2,411,390	2,240,154
<b>Expenses</b>		
Program services	2,094,450	1,860,753
Management and general	421,629	407,768
Total expenses	2,516,079	2,268,521
<b>Change in net assets</b>	(104,689)	(28,367)
<b>Net assets</b> , without donor restrictions, beginning of year	1,885,544	1,913,911
<b>Net assets</b> , without donor restrictions, end of year	\$ 1,780,855	\$ 1,885,544

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

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Depreciation	\$ -	\$ 61,929	\$ 61,929
Dues and publications	29,697	1,997	31,694
Insurance	224,341	40,571	264,912
Interpreter service	77,281	-	77,281
Office	30,783	2,418	33,201
Payroll taxes	88,132	19,747	107,879
Pension	42,015	12,673	54,688
Postage	4,375	109	4,484
Professional fees	215,508	22,383	237,891
Program	171,873	-	171,873
Short-term lease expense	16,904	-	16,904
Repairs and maintenance	23,648	1,899	25,547
Seminars, travel, and training	58,903	311	59,214
Staff salaries	1,075,052	254,544	1,329,596
Student activities	2,566	-	2,566
Utilities and telephone	31,380	2,437	33,817
Miscellaneous	1,992	611	2,603
Total expenses	<u>\$ 2,094,450</u>	<u>\$ 421,629</u>	<u>\$ 2,516,079</u>

The accompanying notes to financial statements  
are an integral part of this statement.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Depreciation	\$ -	\$ 51,441	\$ 51,441
Dues and publications	45,775	8,397	54,172
Insurance	201,558	39,632	241,190
Interpreter service	96,399	-	96,399
Office	36,647	4,416	41,063
Payroll taxes	78,038	18,849	96,887
Pension	35,386	12,612	47,998
Postage	4,889	73	4,962
Professional fees	177,486	20,686	198,172
Program	58,489	-	58,489
Rent	14,608	-	14,608
Repairs and maintenance	18,900	1,917	20,817
Seminars, travel, and training	45,184	-	45,184
Staff salaries	1,015,666	247,274	1,262,940
Student activities	1,639	-	1,639
Utilities and telephone	28,943	2,307	31,250
Miscellaneous	1,146	164	1,310
Total expenses	<u>\$ 1,860,753</u>	<u>\$ 407,768</u>	<u>\$ 2,268,521</u>

The accompanying notes to financial statements  
are an integral part of this statement.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (104,689)	\$ (28,367)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	61,929	51,441
Net change in:		
Grants and contracts receivable	(67,797)	45,400
Prepaid expenses	(868)	3,465
Other receivables	(334)	56,293
Accounts payable and accrued expenses	(17,686)	(40,254)
Refundable advance	32,413	-
Total adjustments	7,657	116,345
Net cash provided by operating activities	(97,032)	87,978
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(22,000)	(89,674)
Net cash used in investing activities	(22,000)	(89,674)
<b>Net change in cash and cash equivalents</b>	(119,032)	(1,696)
<b>Cash and cash equivalents, beginning of year</b>	674,431	676,127
<b>Cash and cash equivalents, end of year</b>	\$ 555,399	\$ 674,431

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

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of Transitional Living of North Central Florida, Inc. d/b/a Center for Independent Living of North Central Florida (the Organization), which affect significant elements of the accompanying financial statements.

(a) **General**—The Organization is a nonprofit corporation located in Gainesville, Florida, which provides services to sixteen counties throughout north central Florida. Program services include skills education, advocacy, peer support, employment, transition, interpreting and information and referral services for people with disabilities that they might learn to live more independently. For the years ended September 30, 2023 and 2022, approximately 68% and 69%, respectively, of the support and revenue of the Organization for program services is provided by federal and state governmental agencies.

(b) **Financial statement presentation**—The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. The Organization records all revenues and gains that are spent in the same fiscal year as unrestricted revenue. Any amounts not spent are recorded as net assets with donor restrictions if donor restrictions exist.

Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

**Net assets without donor restrictions**—Accounts for all resources which the Organization has discretionary control to use in carrying on its operations in accordance with the limits of its articles of incorporation and bylaws, and includes funds designated by the Board of Directors of the Organization (the Board) for specific use.

**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, where by the donor has stipulated the funds be maintained in perpetuity.

As of September 30, 2023 and 2022, there were no net assets with donor restrictions.

(c) **Property and equipment**—Property and equipment additions exceeding \$2,500 are recorded at cost if purchased or fair value if contributed. The cost of property and equipment is being charged to operations using the straight-line method of depreciation over estimated useful lives ranging from three to forty years.

(d) **Income taxes**—The Organization is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Florida Statutes. Therefore, no provision for income taxes is provided in the financial statements.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.**  
**D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

(1) **Summary of Significant Accounting Policies:** (Continued)

The Organization files income tax returns in the U.S. federal jurisdiction. The Organization's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination. The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with the accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Organization.

(e) **Cash and cash equivalents**—For purposes of reporting cash flows, cash and cash equivalents include investments with original maturities of three months or less.

(f) **Use of estimates**—The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates.

(g) **Functional allocations of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among programs and supporting services benefited. Costs are charged to program services and management and general, based on direct expenditures incurred. Expenses not directly chargeable to these functional categories are allocated based on contract amounts.

(h) **Contributions**—All contributions of the Organization are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

(i) **Grants, contracts, and other receivables**—Grants, contracts, and other receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Grants and contracts receivable and other receivables balance was \$209,546 at October 01, 2022.

(j) **Donated services**—Many individuals volunteer their time and perform a variety of tasks that help the Organization carry out its mission. No amounts have been reflected in the financial statements for the value of these services, because they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

(1) **Summary of Significant Accounting Policies:** (Continued)

(k) **Revenue recognition**—The Organization receives substantially all of its grant and contract revenue from Federal, State and local agencies. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses. Timing of revenue recognition is dependent on the specific contract, which the Organization categorizes into contracts paid in advance, cost-reimbursement, and fee for service contracts. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Amounts received prior to incurring qualifying expenditures or meeting other conditional performance requirement barriers are reported as refundable advances in the statement of financial position. The Organization received amounts in advance under state and local contracts and grants of \$32,413 that have not been recognized at September 30, 2023, because qualifying expenditures have not yet been incurred. There were no such advances as of September 30, 2022.

(l) **Subsequent events**—Subsequent events have been evaluated through April 1, 2024, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(m) **Recently adopted accounting guidance**—In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the standard effective October 1, 2022. Since there were no operating or finance leases in effect as of October 1, 2022, requiring recognition under ASC 842, the adoption did not have a material impact on the Organization’s financial position, results of operations and cash flows. Certain terminology changes have been implemented, including references to rent and/or short-term rent being referenced as short-term lease.

(2) **Property and Equipment:**

Property and equipment at September 30, 2023 and 2022, is summarized as follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 218,533	\$ 218,533
Buildings and improvements	1,244,252	1,228,152
Furniture and equipment	118,464	157,421
	<u>1,581,249</u>	<u>1,604,106</u>
Less: Accumulated depreciation	550,457	533,385
Total property and equipment	<u>\$ 1,030,792</u>	<u>\$ 1,070,721</u>

Depreciation expense for the years ended September 30, 2023 and 2022, was \$61,929 and \$51,441, respectively.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.**  
**D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

(3) **Line of Credit:**

The Organization has a \$50,000 available line of credit with a regional bank. The line requires monthly interest payments with an interest rate of Prime + 1.25% (9.75% and 7.50% at September 30, 2023 and 2022, respectively). As of September 30, 2023 and 2022, there were no advances on this line.

(4) **Concentrations of Credit Risk:**

Information related to significant concentrations of credit risk for financial instruments owned by the Organization is as follows:

(a) **Demand deposits**—The Organization has demand deposits with a regional bank. The Organization has no policy requiring collateral to support these deposits and accounts, although demand deposits with banks are federally insured up to Federal Deposit Insurance Corporation (FDIC) limits. At times such deposits may be in excess of the FDIC insurance limit. The Organization does not believe it is exposed to any significant credit risk on such deposits. At September 30, 2023 and 2022, the bank balances totaled \$568,638 and \$703,977, respectively.

(b) **Grants, contracts, and other receivables**—The Organization receives certain fees for services provided to organizations and individuals located in north central Florida. The other receivables represent amounts due from these organizations and individuals. The Organization also has amounts due from federal and state governmental agencies under cost reimbursement and service grants and contracts related to various education and assistance activities. The Organization has no policy requiring collateral or other security to support its receivables.

(5) **Significant Funding Source:**

The Organization receives approximately 36% and 39%, for the years ended September 30, 2023 and 2022, respectively, of its funding from the U.S. Department of Health and Human Services that is either direct or passed through the State of Florida Department of Education. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Organization's programs and activities.

(6) **Retirement Plans:**

The Organization sponsors a simplified employee pension plan covering substantially all full-time employees who have at least three years of service. Employer contributions are 5% of an eligible participant's salary. Employer contributions to the plan were \$54,688 and \$47,998 for the years ending September 30, 2023 and 2022, respectively.

The Organization has a deferred income plan under Internal Revenue Code section 403(b) which provides retirement benefits for all of its employees. The Organization does not match contributions. In accordance with the provisions of the Internal Revenue Code, the amounts contributed to the 403(b) plan are the assets of the employees. Therefore, these assets are not reflected in the Organization's financial statements.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

(7) **Short-term Leases:**

The Organization leases various office equipment and storage units. The Organization has elected to apply the short-term lease exemption to these leases. The short-term lease cost recognized and disclosed for those leases in the years ended September 30, 2023 and 2022, totaled \$16,904 and \$14,608, respectively.

(8) **Liquidity and Availability:**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2023</u>	<u>2022</u>
Financial assets available within one year, at year end		
Cash and cash equivalents	\$ 555,399	\$ 674,431
Grants and contracts receivable	231,943	164,146
Other receivables	116,139	115,805
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 903,481</u>	<u>\$ 954,382</u>

(9) **Recently Issued Accounting Pronouncements:**

The Financial Accounting Standards Board (FASB) issued new or modifications to, or interpretations of, existing accounting guidance during the year ended September 30, 2023, and earlier years. The Organization has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements below, if any, does not believe that any other new or modified principles will have a material impact on the Organization's reported financial position or operations in the near term.

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Federal Agency/Pass-through Entity/State Agency Program Title	AL Number	Pass-Through Entity/ Contract Identifying Number	Program Expenditures
<b>FEDERAL AWARDS</b>			
<b><u>U.S. Department of Education</u></b>			
Passed through State of Florida Department of Education, Division of Vocational Rehabilitation: Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	VR5036	\$ 143,302
<b>Total U.S. Department of Education</b>			<u>143,302</u>
<b><u>U.S. Department of Health and Human Services</u></b>			
Direct Program:			
ACL Centers for Independent Living	93.432	2006FLILCL-0C	377,929
ACL Centers for Independent Living	93.432	2206FLILPH-0C	40,580
COVID-19 - ACL Centers for Independent Living - Cares Act Funding	93.432	2106FLILCL5-0C	9,617
			<u>428,126</u>
Passed through State of Florida Department of Education, Division of Vocational Rehabilitation:			
ACL Independent Living State Grants	93.369	22-104A2	95,006
ACL Independent Living State Grants	93.369	22-104A4	298,098
			<u>393,104</u>
Passed through State of Florida Department of Education:			
FAAST North Central Regional Demonstration Center	93.464	22 NCRDC	49,115
FAAST North Central Regional Demonstration Center	93.464	23-ATPH-NCRDC	2,932
FAAST North Central Regional Demonstration Center	93.464	23 NCATRG	5,817
			<u>57,864</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>879,094</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Passed through the City of Gainesville, Florida:			
Community Development Block Grants/Entitlement Grants / CDBG Entitlement Grants Cluster Total	14.218	N/A	42,417
Home Investment Partnerships Program	14.239	N/A	9,492
<b>Total U.S. Department of Housing and Urban Development</b>			<u>51,909</u>
<b><u>U.S. Department of Agriculture</u></b>			
Passed through State of Florida Department of Health, University of Florida:			
Cooperative Extension Service	10.500	SUB00003320	86,491
<b>Total U.S. Department of Agriculture</b>			<u>86,491</u>
<b>TOTAL FEDERAL AWARDS</b>			<u>\$ 1,160,796</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes federal award activity of Transitional Living of North Central Florida, Inc., d/b/a Center for Independent Living of North Central Florida, (the Organization) under programs of the federal government for the year ended September 30, 2023. 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). Since the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

No amounts were passed through to subrecipients during the year ended September 30, 2023.

(3) **De Minimis Indirect Cost Rate Election:**

The Organization does not elect to use the 10% de minimis indirect cost rate as covered in §200.414, *Indirect (F&A) costs*, of the Uniform Guidance.

**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 the Board of Directors,  
Transitional Living of North Central Florida, Inc.  
d/b/a Center for Independent Living of North Central Florida:

We have audited, 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, the financial statements of Transitional Living of North Central Florida, Inc., d/b/a Center for Independent Living of North Central Florida (the Organization), which comprise the statements of financial position as of September 30, 2023, 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 April 1, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

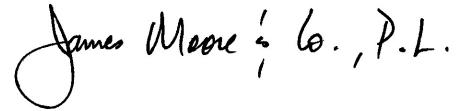
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not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

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large, prominent initial 'J'.

Gainesville, Florida  
April 1, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors,  
Transitional Living of North Central Florida, Inc.  
d/b/a Center for Independent Living of North Central Florida:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Transitional Living of North Central Florida, Inc.'s (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 September 30, 2023. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Transitional Living of North Central Florida, Inc., complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Transitional Living of North Central Florida, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

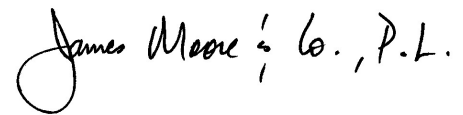
### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and "M".

Gainesville, Florida  
April 1, 2024

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**Section I. Summary of Auditors' Results:**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financing report:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?      Yes   X   None reported

Noncompliance material to financial statements noted?      Yes   X   No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?      Yes   X   None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?      Yes   X   No

Identification of major programs: ALN 93.369, ACL Independent Living Services

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

Auditee qualified as a low-risk auditee?   X   Yes      No

**TRANSITIONAL LIVING OF NORTH CENTRAL FLORIDA, INC.  
D/B/A CENTER FOR INDEPENDENT LIVING OF NORTH CENTRAL FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023  
(Continued)**

<b>Section II. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With <i>Government Auditing Standards</i>:</b>	None
<b>Section III. Findings and Questioned Costs for Federal Awards:</b>	None
<b>Section IV. Prior Audit Findings and Corrective Action Plan for Federal Awards:</b>	None