



Champions
For **Children**

Financial Statements

December 31, 2024 and 2023

CHAMPIONS FOR CHILDREN, INC.
Financial Statements
December 31, 2024 and 2023

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 - 3
Financial Statements	
Statements of Financial Position	4
Statements of Activities	5 - 6
Statements of Functional Expenses	7 – 8
Statements of Cash Flows	9
Notes to the Financial Statements	10 – 20
Supplementary Information	
Schedule of Expenditures of Federal Awards	23
Notes to the Schedule of Expenditures of Federal Awards	24
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25 – 27
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	28 – 31
Schedule of Findings and Questioned Costs	32 – 34



PRIDA GUIDA & PEREZ, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

2504 W. Kathleen Street

Tampa, FL 33607

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Champions for Children, Inc.
Tampa, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Champions for Children, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Champions for Children, Inc. as of December 31, 2024, and 2023, 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Champions for Children, Inc. and to meet our other ethical responsibilities, in accordance with the 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 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 Champions for Children, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT (Continued)

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Champions for Children'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 Champions for Children, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

INDEPENDENT AUDITORS' REPORT (Continued)

Supplementary Information (Continued)

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 June 4, 2025 on our consideration of the Champions for Children, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Champions for Children, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Champions for Children, Inc.'s internal control over financial reporting and compliance.



Prida, Guida & Perez, P.A.
Tampa, Florida
June 4, 2025

CHAMPIONS FOR CHILDREN, INC.**Statements of Financial Position****ASSETS**

	December 31,	
	2024	2023
Current assets		
Cash and cash equivalents	\$ 1,300,885	\$ 960,574
Investments	917,331	649,493
Grants receivable	715,036	786,786
Unconditional promises to give	17,071	41,966
Other current assets	48,717	47,953
Total current assets	2,999,040	2,486,772
Long-term assets		
Beneficial interest in assets held by community foundation	353,042	339,481
Property and equipment, net	521,992	542,223
Right of use asset, net	189,354	193,431
Other assets	8,813	8,813
Total assets	<u>\$ 4,072,241</u>	<u>\$ 3,570,720</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$ 131,306	\$ 59,680
Accrued expenses and other liabilities	445,009	280,063
Operating lease liability, current portion	110,411	103,404
Total current liabilities	686,726	443,147
Operating lease liability, net of current portion	83,739	90,027
Total liabilities	770,465	533,174
Net assets		
Without donor restrictions	2,576,749	2,841,205
With donor restrictions	725,027	196,341
Total net assets	3,301,776	3,037,546
Total liabilities and net assets	<u>\$ 4,072,241</u>	<u>\$ 3,570,720</u>

Read accompanying notes to financial statements.

CHAMPIONS FOR CHILDREN, INC.
Statement of Activities
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions and grants	\$ 5,672,554	\$ 1,598,835	\$ 7,271,389
Fundraising	352,840	-	352,840
Program fees	20,122	-	20,122
Investment gain, net	104,683	-	104,683
Miscellaneous income	10,475	-	10,475
In-kind donations	18,131	-	18,131
Total net assets released from restrictions	1,070,149	(1,070,149)	-
Total revenues, gains, and other support	<u>7,248,954</u>	<u>528,686</u>	<u>7,777,640</u>
Expenses			
Program services			
Family education and individualized support	2,298,875	-	2,298,875
Community education	218,723	-	218,723
Parent/child educational programs	3,433,277	-	3,433,277
Total program services	<u>5,950,875</u>	<u>-</u>	<u>5,950,875</u>
Support services			
Administration	985,398	-	985,398
Development	577,137	-	577,137
Total support services	<u>1,562,535</u>	<u>-</u>	<u>1,562,535</u>
Total expenses	<u>7,513,410</u>	<u>-</u>	<u>7,513,410</u>
Changes in net assets	(264,456)	528,686	264,230
Net assets, beginning of year	<u>2,841,205</u>	<u>196,341</u>	<u>3,037,546</u>
Net assets, end of year	<u><u>\$ 2,576,749</u></u>	<u><u>\$ 725,027</u></u>	<u><u>\$ 3,301,776</u></u>

Read accompanying notes to financial statements.

CHAMPIONS FOR CHILDREN, INC.
Statement of Activities
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions and grants	\$ 5,703,073	\$ 264,466	\$ 5,967,539
Fundraising	257,530	-	257,530
Program fees	34,498	-	34,498
Investment gain, net	74,893	-	74,893
Miscellaneous income	6,777	-	6,777
Derecognition of accounts payable	96,400	-	96,400
In-kind donations	40,945	-	40,945
Total net assets released from restrictions	225,756	(225,756)	-
Total revenues, gains, and other support	<u>6,439,872</u>	<u>38,710</u>	<u>6,478,582</u>
Expenses			
Program services			
Family education and individualized support	1,990,000	-	1,990,000
Community education	233,575	-	233,575
Parent/child educational programs	2,913,754	-	2,913,754
Total program services	<u>5,137,329</u>	<u>-</u>	<u>5,137,329</u>
Support services			
Administration	939,860	-	939,860
Development	408,889	-	408,889
Total support services	<u>1,348,749</u>	<u>-</u>	<u>1,348,749</u>
Total expenses	<u>6,486,078</u>	<u>-</u>	<u>6,486,078</u>
Changes in net assets	(46,206)	38,710	(7,496)
Net assets, beginning of year	<u>2,887,411</u>	<u>157,631</u>	<u>3,045,042</u>
Net assets, end of year	<u><u>\$ 2,841,205</u></u>	<u><u>\$ 196,341</u></u>	<u><u>\$ 3,037,546</u></u>

Read accompanying notes to financial statements.

CHAMPIONS FOR CHILDREN, INC.
Statement of Functional Expenses
Year Ended December 31, 2024

Expenses	Family education and individualized support	Community education	Parent/child educational programs	Total program services	Administration	Development	Total expenses
Salaries	\$ 1,276,689	\$ 138,370	\$ 2,311,316	\$ 3,726,375	\$ 624,554	\$ 241,994	\$ 4,592,923
Employee benefits	160,617	7,775	373,957	542,349	78,329	34,924	655,602
Payroll taxes	92,487	10,689	167,077	270,253	45,237	17,872	333,362
Total salaries, benefits, and taxes	1,529,793	156,834	2,852,350	4,538,977	748,120	294,790	5,581,887
Advertising/public relations	22,729	1,064	10,243	34,036	5,903	17,696	57,635
Audit fees	-	-	-	-	20,280	-	20,280
Bank service charges	-	-	-	-	9,017	4,388	13,405
Building, grounds, and other maintenance	14,149	2,716	32,564	49,429	27,809	4,412	81,650
Client related expenses	102,276	15,928	123,226	241,430	3,985	-	245,415
Communication	31,835	2,146	34,143	68,124	8,289	2,273	78,686
Conference/professional enhancement	37,892	-	19,354	57,246	3,034	75	60,355
Contract services	306,504	2,626	32,155	341,285	14,163	159,800	515,248
Data processing	45,183	2,679	56,623	104,485	64,334	16,845	185,664
Dues/membership/books/subscriptions	1,949	2,400	7,165	11,514	4,567	3,977	20,058
Employee morale	850	68	1,737	2,655	9,520	-	12,175
Insurance	11,202	4,079	36,759	52,040	15,550	5,584	73,174
Investment management fees	-	-	-	-	-	2,597	2,597
Miscellaneous	574	-	41	615	4,502	-	5,117
Postage and freight	2,779	14	526	3,319	382	1,184	4,885
Pre-employment	1,484	285	2,219	3,988	474	115	4,577
Printing/publications	5,076	1,105	11,818	17,999	7,776	4,844	30,619
Rent	111,893	538	76,856	189,287	1,794	1,795	192,876
Security	1,502	240	2,556	4,298	1,013	320	5,631
Special events expense	-	1,859	-	1,859	-	52,560	54,419
Supplies	42,832	21,141	53,043	117,016	7,397	1,963	126,376
Travel	16,112	480	55,551	72,143	516	129	72,788
Utilities	7,637	1,343	21,223	30,203	5,669	1,790	37,662
Depreciation	4,624	1,178	3,125	8,927	21,304	-	30,231
Total expenses	\$ 2,298,875	\$ 218,723	\$ 3,433,277	\$ 5,950,875	\$ 985,398	\$ 577,137	\$ 7,513,410

Read accompanying notes to financial statements.

CHAMPIONS FOR CHILDREN, INC.
Statement of Functional Expenses
Year Ended December 31, 2023

Expenses	Family education and individualized support	Community education	Parent/child educational programs	Total program services	Administration	Development	Total expenses
Salaries	\$ 1,112,635	\$ 162,726	\$ 1,937,454	\$ 3,212,815	\$ 559,788	\$ 188,540	\$ 3,961,143
Employee benefits	160,256	14,556	357,290	532,102	78,013	22,859	632,974
Payroll taxes	79,892	11,757	137,683	229,332	39,381	13,782	282,495
Total salaries, benefits, and taxes	1,352,783	189,039	2,432,427	3,974,249	677,182	225,181	4,876,612
Advertising/public relations	16,031	404	5,004	21,439	1,392	12,987	35,818
Audit fees	-	-	-	-	23,000	-	23,000
Bank service charges	-	-	-	-	20,917	3,952	24,869
Building, grounds, and other maintenance	8,072	1,702	28,384	38,158	5,823	1,499	45,480
Client related expenses	65,320	5,139	31,466	101,925	646	187	102,758
Communication	17,587	1,897	28,076	47,560	10,520	2,288	60,368
Conference/professional enhancement	12,474	3,100	28,382	43,956	4,186	700	48,842
Contract services	276,269	4,805	10,212	291,286	64,273	44,584	400,143
Data processing	51,475	2,707	74,699	128,881	60,954	7,325	197,160
Dues/membership/books/subscriptions	12,806	-	12,559	25,365	13,641	10,301	49,307
Employee morale	565	132	1,016	1,713	9,423	-	11,136
Insurance	10,135	4,290	28,715	43,140	12,095	3,621	58,856
Investment management fees	-	-	-	-	-	2,402	2,402
Miscellaneous	-	-	-	-	236	40,945	41,181
Rent	84,410	-	55,211	139,621	1,434	-	141,055
Postage and freight	3,442	93	892	4,427	156	1,165	5,748
Pre-employment	1,693	365	3,118	5,176	87	115	5,378
Printing/publications	6,807	2,126	17,950	26,883	2,099	3,355	32,337
Security	1,225	368	2,758	4,351	1,119	324	5,794
Special events expense	-	3,095	-	3,095	-	45,278	48,373
Supplies	51,026	10,402	86,358	147,786	3,151	525	151,462
Travel	5,720	485	40,879	47,084	644	173	47,901
Utilities	7,536	2,248	22,523	32,307	5,832	1,982	40,121
Depreciation	4,624	1,178	3,125	8,927	21,050	-	29,977
Total expenses	\$ 1,990,000	\$ 233,575	\$ 2,913,754	\$ 5,137,329	\$ 939,860	\$ 408,889	\$ 6,486,078

Read accompanying notes to financial statements.

CHAMPIONS FOR CHILDREN, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities		
Changes in net assets	\$ 264,230	\$ (7,496)
Adjustments to reconcile changes in net assets to net cash from operations		
Depreciation	30,231	29,977
Unrealized gain on investments	(35,007)	(8,906)
Derecognition of accounts payable	-	(96,400)
Right-of-use assets and liabilities, net	4,796	-
Changes in:		
Grants receivable	71,750	(83,338)
Unconditional promises to give	24,895	(13,171)
Beneficial interest in assets held by community foundation	(27,621)	(39,588)
Other assets	(764)	(11,995)
Accounts payable	71,626	(19,371)
Accrued expenses and other liabilities	164,946	11,261
Net cash from operations	<u>569,082</u>	<u>(239,027)</u>
Cash flows from investing activities		
Distribution from beneficial interest in assets held by community foundation	14,060	13,765
Purchases of investments	(232,831)	(640,587)
Purchases of property and equipment	<u>(10,000)</u>	<u>(10,422)</u>
Net cash from investing activities	<u>(228,771)</u>	<u>(637,244)</u>
Net change in cash and cash equivalents	340,311	(876,271)
Cash and cash equivalents, beginning of year	<u>960,574</u>	<u>1,836,845</u>
Cash and cash equivalents, end of year	<u>\$ 1,300,885</u>	<u>\$ 960,574</u>

Read accompanying notes to financial statements.

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Nature of Activities

Champions for Children, Inc. (the “Agency”) was organized on December 23, 1977 as Child Abuse Council, Inc. On February 29, 2012, the Agency adopted the name change to Champions for Children, Inc.

The Agency’s mission is to build stronger families in the Tampa Bay region through its child abuse prevention and family education programs. The Agency provides education and consultation in individual, family, and group formats in classroom, community, and home-based settings.

The Agency works towards identifying and developing specific direct service programs for abusive and/or neglectful and potentially abusive and/or neglectful families while coordinating existing services with agencies involved in the area of child abuse and neglect in Hillsborough County, Florida. The Agency has the following programs to solve all facets of abuse and neglect:

Family Education & Individualized Support: The program offers classes, groups, and individualized support that is rooted in science and designed to help parents develop skills to raise healthy, thriving children.

- **A Breastfeeding and Childbirth Program** provides education and support to families who are expecting a child or recently welcomed a new child into their life.
- **The Family Learning Center** helps parents who are in treatment for substance abuse at Cove Behavioral Health to ensure that a happy, healthy family life is a core part of recovery. The program offers new mom support groups, visitation playgroups, reflective groups, and child development seminars for mothers undergoing treatment for substance abuse. Additionally, the program offers Early Head Start child care services for children aged 6 weeks to 3 years.
- **Fathers Resource and Networking Community (“FRANC”)**: While dads are welcomed in almost all of Agency’s programs, FRANC serves as a dedicated hub for initiatives, activities, and services that are specifically focused on fatherhood, including “Nurturing Dads” classes, community events, and more. FRANC services are for all fathers and father figures — married, single, divorced, foster, surrogate, expectant, and mentors.
- **Positive Parenting & Partnership** provides a variety of tailored classes, workshops, and case management services designed to positively impact parenting skills, healthy relationships among co-parents, marriage and couple stability, financial health, and parenting confidence.

Parent-Child Educational Programs: The program offers activities to help parents build strong, healthy attachments with their infants and toddlers while learning together. The Agency develops screenings for children to help parents learn about their child’s progress, what to do when there are concerns, and how best to support them as they grow.

- **Baby Bungalow** is an early childhood learning and resource center for parents, caregivers and their children from birth to age 5 in the West and South Tampa areas. The playgroups, workshops, and development screenings provide a tremendous benefit to both new and experienced parents and caregivers.

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Nature of Activities (Continued)

- **Great We Grow** is an early childhood learning and resource center rooted in the heart of Tampa's Town 'n' Country neighborhood. Fully bilingual child development experts offer playgroups, workshops, developmental checkups, community activities, and support in English and in Spanish for children aged birth to 36 months and their parents or caregivers.
- **Healthy Families** is a home visiting program that offers information on your child's growth and development, healthy ways of dealing with everyday stress, help setting and achieving personal and family goals, positive parenting and discipline skills, and connections to community services.
- **Layla's House** is a community-based learning and resource center located in the heart of Sulphur Springs that provides playgroups, workshops, developmental checkups, community activities, and support for parents and caregivers of children aged 0-5, as well as for expectant moms and dads.
- **Parents as Teachers ("PAT")** is an evidenced-based home visiting program that uses the most current research to promote healthy child development, school readiness, and family well-being for families with children prenatal through kindergarten. PAT is a free "any child, any family" service.

Community Education: The Agency believes that every child deserves to feel safe at home and to be successful in life. By educating children and adults in our community about what it takes to make that happen, the Agency spreads the powerful impact of the programs far beyond the children, parents, and caregivers who directly participate in them. The Agency's community education efforts include:

- **Kids on the Block** is a troupe of educational puppets that perform personal safety education shows about Child Abuse Prevention and Bullying & Stereotyping Prevention for Hillsborough County public and private elementary school students.
- **Community Initiatives & Partnerships** seeks to find solutions by mobilizing out community for action, so that together we can make Hillsborough County a better place for our entire community to live, work, and play.
 - The TALK READ SING Community Campaign focuses on educating parents and Tampa Bay residents about the importance of developing a child's brain by talking, reading and singing starting at birth.
 - The Diaper Program raises awareness about diaper needs in Tampa Bay, while providing families in need with essential supplies that are donated by local partners and individuals.
 - The Holiday Store allows client families to "shop" for toys for their children at no cost, providing gifts and treasured family memories to more than 1,000 children each year.
- **Professional Development** offers training opportunities to help community family-serving professionals learn new knowledge and skills to strengthen the effectiveness of their work with families in the community.

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The Agency follows the accrual method in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Grants receivable – Grants receivable are stated as unpaid balances, less an allowance for credit losses. The Agency provides for losses on grants receivable using the allowance method. The allowance is based on experience, third-party contracts, current market conditions, and other circumstances, which may affect the ability of the Agency to collect the receivables. It is the Agency’s policy to charge off uncollectible grants receivable when management determines the receivable may not be collected. As of December 31, 2024 and 2023, the Agency considers all receivable balances to be collectible. The Agency does not charge interest on grants receivable.

Unconditional promises to give – Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. The Agency uses the allowance method to determine uncollectible promises. The allowance is based on management’s analysis, current market conditions, and historical information. At December 31, 2024 and 2023, management determined an allowance was not needed.

Property and equipment – The Agency follow the practice of capitalizing the cost of all expenditures for or donations of property and equipment valued in excess of \$2,500 with an expected life of over one year. Depreciation is provided over the estimated useful lives of the respective assets ranging from 3 - 50 years on the straight-line basis. Routine repairs and maintenance are expensed as incurred.

The Agency reviews the carrying values of property and equipment for impairment whenever circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent the carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2024 and 2023.

Beneficial interest in assets held by the community foundation – The Agency’s beneficial interest in funds irrevocably transferred to the Community Foundation of Tampa Bay, Inc. (the “Foundation”) is stated at fair value. Realized and unrealized gains or losses and reinvested dividends and interest, net of investment management fees are recorded as investment income in the statement of activities. Grants from the fund are in accordance with the Foundation’s spending policy established by the Board of Trustees of the Foundation. Grants may be requested by the Agency and disbursed semi-annually in amounts not to exceed amounts allowed by the Foundation. The beneficial interest of the assets held by the Foundation are valued each month by the Foundation.

Financial statement presentation – Net assets and revenue, gains and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Agency and changes therein are classified and reported as:

Net assets without donor restrictions – These resources are not subject to donor or grantor-imposed restrictions. The board of directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Net assets with donor restrictions – Those resources subject to donor or grantor-imposed restrictions. Some donor or grantor-imposed restrictions are temporary in nature, such as those that will be satisfied by action of the Agency or by the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

Contributions and grants – Contributions and grants are recognized when the donor or grantor makes a promise to give to the Agency that is, in substance, unconditional. Contributions that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are released to net assets without donor restrictions.

The majority of the Agency's income is derived from cost-reimbursement grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Agency has incurred expenditures in compliance with specific contract or grant provisions.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to donors when the special event takes place. The Organization recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place

Program fees – Represents fees earned for certain and education and outreach programs. These services are generally considered to be a single performance obligation that is satisfied at a point in time and revenue is recognized when the service is provided.

Donated services – Volunteer services are recorded if the services create or enhance non-financial assets or require specialized skills and are performed by people with those skills or would have otherwise been purchased by the Agency.

Many volunteers have donated significant amounts of their time to the Agency's programs and support services for the years ended December 31, 2024, and 2023; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as donated services.

Cost allocation – The financial statements report certain categories of expenses that attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses which are not directly identifiable by program or support service, are allocated based on time and effort or square footage allocated to the functional area. Specific expenses associated with a program are charged directly to that program.

Estimates – The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Income taxes – Pursuant to a determination letter received from the Internal Revenue Service, the Agency is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and therefore is also exempt from state income tax. Management of the Agency considers the likelihood of changes by taxing authorities in its filed income tax returns and recognizes a liability for or discloses potential significant changes that management believes are more likely than not to occur, including changes to the Agency's status as a non-profit entity. Management believes the Agency met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax; therefore, no provision for income taxes has been provided in these financial statements. The Agency's income tax returns for the past three years are subject to examination by taxing authorities and may change upon examination.

Advertising – The Agency uses advertising to promote its programs among the communities it serves. Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2024 and 2023, was approximately \$58,000 and \$36,000, respectively.

Concentrations of credit risk – Financial instruments that potentially subject the Agency to concentrations of credit risk consist primarily of grants receivable and revenue. The grants receivable balance at December 31, 2024 and 2023 consisted of approximately 77% and 81%, respectively from two granting agencies. Revenues from these agencies comprised approximately 39% and 46% of total grant and contribution revenue for the years ended December 31, 2024 and 2023, respectively.

The Agency maintains cash balances at a financial institution located in Tampa, Florida. The balances insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At various times there were balances in the bank that were over the FDIC limit.

Cash and cash equivalents – Money market accounts are considered to be cash equivalents.

Investments – The Agency carries investments at fair value in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Leases – At lease commencement, a right-of-use ("ROU") asset and lease liability are recorded based on the present value of the future lease payments over the lease term. The Agency will recognize those lease payments in the statements of operations on a straight-line basis over the lease term. The Agency uses the non-cancellable lease term unless it is reasonably certain that a renewal or termination option will be exercised. When available, the Agency will use the rate implicit in the lease to discount lease payments to present value, however as most leases do not provide an implicit rate, the Agency will estimate the incremental borrowing rate to discount the lease payments. The Agency estimates the incremental borrowing rate based on the rates of interest that the Agency would have to pay to borrow an amount equal to the lease payments on a collateralized basis, over a similar term, and in a similar economic environment. The ROU asset also includes any lease prepayments and initial direct costs, offset by lease incentives. Variable lease payments for sales and property taxes, insurance, and common area maintenance are not included in lease payments used to determine lease liability and are recognized as variable expenses when incurred. Leases with an initial term of 12 months or less are excluded from the statement of financial position, the lease payments are recognized on a straight-line basis over the lease term, and variable lease payments are recognized in the period in which the obligation for those payments is incurred.

CHAMPIONS FOR CHILDREN, INC.**Notes to Financial Statements****December 31, 2024 and 2023****Note 3 – Net Assets**

Net assets with donor restrictions consist of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Restricted for specific purposes:		
Programs	\$ 625,027	\$ 96,341
Investment in beneficial interest	<u>100,000</u>	<u>100,000</u>
	<u>\$ 725,027</u>	<u>\$ 196,341</u>

The net assets without donor restrictions consist of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Undesignated	\$ 2,323,707	\$ 2,601,724
Board designated for investment in the Agency's		
Beneficial Interest held by the Foundation	<u>253,042</u>	<u>239,481</u>
	<u>\$ 2,576,749</u>	<u>\$ 2,841,205</u>

Net assets released from net assets with donor restrictions are as follows for the year ended December 31:

	<u>2024</u>	<u>2023</u>
Satisfaction of purpose restrictions	<u>\$ 1,070,149</u>	<u>\$ 225,756</u>

Note 4 – Defined Contribution Plan

The Agency maintains a defined contribution plan as defined under Section 401(k) of the U.S. Internal Revenue Code covering substantially all employees. Employer contributions during the years ended December 31, 2024 and 2023 were approximately \$82,000 and \$74,000, respectively.

CHAMPIONS FOR CHILDREN, INC.**Notes to Financial Statements****December 31, 2024 and 2023****Note 5 – Operating Leases**

The Agency leases a facility and equipment from unrelated third parties. The facility lease requires monthly payments of approximately \$9,000 plus common area maintenance charges with a maturity of October 2025. The equipment leases requires payments in the aggregate of approximately \$2,300 with a maturity between May and June 2029. The lease includes an option to renew for an additional 12 months. Only lease options that the Agency believes are reasonably certain to exercise are included in the measurement of the lease asset and lease liability. The Agency also has rental obligations on a month to month basis.

Cash paid that was used in the measurement of the lease liability during the year ended December 31, 2024 and 2023 was approximately \$133,000 and \$110,000, respectively.

The weighted average lease term and discount rate as of December 31, 2024 and 2023 related to operating leases were as follows:

	<u>2024</u>	<u>2023</u>
Weighted average remaining lease term	1.5	1.8
Weighted average discount rate	6.64%	4.75%

Future minimum payments under the non-cancelable operating lease as of December 31, 2024, are as follows:

Year Ended December 31:	
2025	\$ 119,981
2026	28,056
2027	28,056
2028	28,056
2029	<u>11,917</u>
	216,066
Less: imputed interest	<u>(21,916)</u>
	<u>\$ 194,150</u>

The following summarizes the components of lease cost for the years ended December 31, 2024 and 2023. Short-term lease cost represents the cost of leases with terms of 12 months or less, variable lease cost represents the lease cost relating to common area maintenance charges, and the operating lease cost represents the cost incurred under leases with terms-in-excess of 12 months.

	<u>2024</u>	<u>2023</u>
Short-term lease costs	\$ 27,936	\$ 27,936
Operating lease costs	132,364	110,348
Variable lease costs	<u>32,576</u>	<u>2,771</u>
	<u>\$ 192,876</u>	<u>\$ 141,055</u>

CHAMPIONS FOR CHILDREN, INC.
Notes to Financial Statements
December 31, 2024 and 2023

Note 6 – Property and Equipment

Major classifications of property and equipment are summarized below as of December 31:

	<u>2024</u>	<u>2023</u>
Land	\$ 327,825	\$ 327,825
Building and improvements	344,831	334,831
Furniture and fixtures	693,056	693,056
Leasehold improvements	53,682	53,682
Puppets	<u>20,480</u>	<u>20,480</u>
	1,439,874	1,429,874
Less: accumulated depreciation	<u>(917,882)</u>	<u>(887,651)</u>
	<u><u>\$ 521,992</u></u>	<u><u>\$ 542,223</u></u>

Note 7 – Investments and Fair Value Measurements

Financial instruments measured at fair value are classified and disclosed in the following categories:

Level 1: Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments included in Level 1 are equities, certain corporate bonds, intermediate bond funds, U.S. Treasury notes and cash and cash equivalents.

Level 2: Pricing inputs are other than quoted prices for identical investments in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. The types of investments which are generally included in this category include corporate bonds, government bonds, mortgage-backed securities, real estate investment trusts and closed-end funds.

Level 3: Valuation is based on unobservable inputs.

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

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 7 – Investments and Fair Value Measurements (Continued)

Investments were recorded at fair value based on the following levels of hierarchy:

December 31, 2024	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Treasury Bills	\$ 917,331	\$ 917,331	\$ -	\$ -
Beneficial Interest in Assets Held by the Foundation	353,042	-	-	353,042
	<u>\$ 1,270,373</u>	<u>\$ 917,331</u>	<u>\$ -</u>	<u>\$ 353,042</u>

December 31, 2023	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Treasury Bills	\$ 649,493	\$ 649,493	\$ -	\$ -
Beneficial Interest in Assets Held by the Foundation	339,481	-	-	339,481
	<u>\$ 988,974</u>	<u>\$ 649,493</u>	<u>\$ -</u>	<u>\$ 339,481</u>

Note 8 – Beneficial Interest in Assets Held by the Foundation

In a prior year, the Agency transferred \$100,000 to the Foundation for the purpose of administering an endowment. In addition, the Agency has invested monies raised through contributions in this investment vehicle. The Foundation pools together all funds received from other endowments and invests them in a diversified asset mix, which includes equity and debt securities, and is intended to result in consistent inflation protected rate of return that has sufficient liquidity to make semi-annual distributions estimated at 4% of the average balance over previous 12 quarters while growing the fund if possible. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Changes in the beneficial interest in assets held by the Foundation (a Level 3 Asset) are as follows:

Year Ended December 31, 2024	With Donor Restrictions	Without Donor Restrictions - Designated by Board	Total
Investment in beneficial interest, beginning of year	\$ 100,000	\$ 239,481	\$ 339,481
Dividends and interest	-	7,471	7,471
Net appreciation (realized and unrealized)	-	22,747	22,747
Fees	-	(2,597)	(2,597)
Distributions	-	(14,060)	(14,060)
Investment in beneficial interest, end of year	<u>\$ 100,000</u>	<u>\$ 253,042</u>	<u>\$ 353,042</u>

CHAMPIONS FOR CHILDREN, INC.**Notes to Financial Statements****December 31, 2024 and 2023****Note 8 – Beneficial Interest in Assets Held by the Foundation (Continued)**

Year Ended December 31, 2023	With Donor Restrictions	Without Donor Restrictions - Designated by Board	Total
Investment in beneficial interest, beginning of year	\$ 100,000	\$ 213,657	\$ 313,657
Dividends and interest	-	5,813	5,813
Net appreciation (realized and unrealized)	-	36,177	36,177
Fees	-	(2,402)	(2,402)
Distributions	-	(13,764)	(13,764)
Investment in beneficial interest, end of year	<u>\$ 100,000</u>	<u>\$ 239,481</u>	<u>\$ 339,481</u>

Note 9 – Line of Credit

The Agency maintains a \$500,000 line of credit with a financial institution. The line of credit is secured by real property. Interest is payable monthly at the bank's prime rate plus .45 base points but no less than a floor of 4.75% and is due on demand with a maturity date of December 2026. There was no balance outstanding as of December 31, 2024, and 2023.

Note 10 – Liquidity and Availability

The Agency's financial assets available for general expenditures within one year of December 31, 2024, are as follows:

Cash	\$ 1,300,885
Investments	917,331
Grants receivable	715,036
Unconditional promises to give	<u>17,071</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 2,950,323</u></u>

As part of the Agency's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. To help manage unanticipated liquidity needs, the Agency has a committed line of credit in the amount of \$500,000, which it could draw upon.

Note 11 – Related Party Transactions

During the years ended December 31, 2024, and 2023, the Agency received contributions from members of their Board of Directors of approximately \$45,000 and \$42,000 respectively.

CHAMPIONS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2024 and 2023

Note 12 – In-Kind Donations

Contributed nonfinancial assets consisted of miscellaneous items and supplies, reported at estimated fair value, and not restricted by donors.

Note 13 – Subsequent Events

Management of the Agency has evaluated subsequent events through June 4, 2025, the date which the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date and through June 4, 2025, that would require adjustment to, or disclosure in, the financial statements.

SUPPLEMENTARY INFORMATION

CHAMPIONS FOR CHILDREN, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

CHAMPIONS FOR CHILDREN, INC.
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/Program Title	Contract Number	Assistance Listing #	Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services				
<i>Passed through Healthy Start Coalition Hillsborough County</i>				
TANF Cluster:				
Temporary Assistance for Needy Families (TANF)	ECA-C13-SA-CFC-FY24	93.558	25,012	-
Temporary Assistance for Needy Families (TANF)	ECA-C13-SA-CFC-FY24	93.558	24,160	-
Total TANF Cluster			49,172	-
Community-Based Child Abuse Prevention Grants	ECA-C13-SA-CFC-FY24	93.590	6,538	
<i>Passed through Healthy Start Coalition Hillsborough County</i>				
Marylee Allen Promoting Safe and Stable Families	ECA-C13-SA-CFC-FY24	93.556	13,662	-
Marylee Allen Promoting Safe and Stable Families	ECA-C13-SA-CFC-FY24	93.556	6,983	-
Total Marylee Allen Promoting Safe and Stable Families			20,645	-
<i>Passed through Cove Behavioral Health</i>				
Substance Abuse and Mental Health Services-Projects of Regional and National Significance		93.243	51,460	-
Total Substance Abuse and Mental Health Services-Projects of Regional and National Significance			51,460	-
<i>Passed through the Office of Family Assistance</i>				
Healthy Marriage Promotion and Responsible Fatherhood Grants	90ZB0014	93.086	1,104,004	-
Total expenditures of federal awards			<u>\$ 1,231,819</u>	<u>\$ -</u>

Read accompanying notes to schedule of expenditures of federal awards.

CHAMPIONS FOR CHILDREN, INC.
Notes to Schedule of Expenditures of Federal Awards
December 31, 2024

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Champions for Children, Inc. (“the Agency”) under programs of the federal government for the year ended December 31, 2024. The information in the 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”). Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

Note 2 – Summary of Significant Accounting Policies

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

Note 3 – Indirect Cost Rate

The Agency has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 – Contingencies

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

CHAMPIONS FOR CHILDREN, INC.

**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***

December 31, 2024



PRIDA GUIDA & PEREZ, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

2504 W. Kathleen Street

Tampa, FL 33607

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
Champions for Children, 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 Champions for Children, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 4, 2025.

Report on Internal Control over Financial Reporting

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

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

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

**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* (Continued)**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champions for Children, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Prida, Guida & Perez, P.A.
Tampa, Florida
June 4, 2025

CHAMPIONS FOR CHILDREN, INC.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

December 31, 2024



PRIDA GUIDA & PEREZ, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

2504 W. Kathleen Street

Tampa, FL 33607

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Champions for Children, Inc.
Tampa, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Champion for Children, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Champion for Children, Inc.'s major federal programs for the year ended December 31, 2024. Champion for Children, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Champion for Children, 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 federal programs for the year ended December 31, 2024.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Champion for Children, Inc. 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 Champion for Children, Inc.'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 Champion for Children, Inc.'s federal programs.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE (Continued)**

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 Champion for Children, 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 generally accepted auditing standards, *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 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 Champion for Children, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Champion for Children, Inc.'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 Champion for Children, Inc.'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 Champion for Children, Inc.'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.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE (Continued)**

Report on Internal Control over Compliance

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

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

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

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



Prida, Guida & Perez, P.A.
Tampa, Florida
June 4, 2025

CHAMPIONS FOR CHILDREN, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2024

CHAMPIONS FOR CHILDREN, INC.
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2024

Section 1 – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued		<u>Unmodified</u>
Internal control over the financial reporting		
Material weakness(es) identified?	_____ yes	<u> X </u> no
Significant deficiency(ies) identified?	_____ yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	_____ yes	<u> X </u> no

Federal Award Programs

Internal Control over major programs		
Material weakness(es) identified?	_____ yes	<u> X </u> no
Significant deficiency(ies) identified?	_____ yes	<u> X </u> none reported
Type of auditors’ report issued on compliance for major programs		<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 <i>CFR</i> Section 200.516(a)?	_____ yes	<u> X </u> no

Identification of major programs:

Assistance Living
Number

93.086

Name of Federal Program

Healthy Marriage Promotion and
Responsible Fatherhood Grants

Dollar threshold used to distinguish between type A and type B federal programs	<u>\$750,000</u>
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Auditee qualified as low-risk auditee?	<u> X </u> yes	_____ No
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CHAMPIONS FOR CHILDREN, INC.
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended December 31, 2024

Section 2 – Financial Statement Findings

No matters were reported for the year ended December 31, 2024.

Section 3 – Federal Award Findings and Questioned Costs

No matters were reported for the year ended December 31, 2024.

Section 4 – Other Issues

A summary schedule of prior audit findings is not presented because there were no prior year audit findings.