



Finance/Governance Committee Meeting
Amended Agenda
Tuesday, March 3, 2026
<https://us06web.zoom.us/j/87083946100>

- I. CALL TO ORDER** **J. Disbro**
 - A. Welcome
 - B. Roll call & Quorum Verification

- II. PUBLIC COMMENT**

- III. ACTION ITEMS** [\(Pgs. 3-16\)](#) **J. Disbro**
 - A. Approval of Minutes for January 20, 2026, Finance Committee Meeting
 - B. Approval of Minutes for February 4, 2026, Finance Committee Special Meeting
 - C. Review and Recommendation of Proposed Privacy Policy
 - D. Review and Recommendation of Prospective Private Sector Board Member

- IV. FINANCIAL REPORT** [\(Pgs. 17-18\)](#) **K. Smith**
 - A. Budget to Actuals

- V. CEO REPORT** **A. Fraga**
 - A. Florida Department of Education, Division of Early Learning (DEL) Audit Update
 - B. Hurricane Ian Grant Update

- VI. DISCUSSION** **J. Disbro**
 - A. Annual Independent Audit for Years Ended June 30, 2025 and 2024 [\(Pgs. 19-47\)](#)
 - B. Notice of Award
 - C. Special Needs Rate Allocation and Impact

- VII. INFORMATION ITEMS**
 - A. Program Enrollment Dashboard [\(Pg. 48\)](#)



VIII. ANNOUNCEMENTS

J. Disbro

- A. Board of Directors Meeting – March 10, 2026, at 3 pm (Hybrid)
- B. Finance Committee Meeting – May 5, 2026, at 8:30 am (Virtual)

IX. ADJOURNMENT

Tuesday, January 20, 2026, at 8:00 am

Virtual

Zoom Meeting

MEETING ATTENDANCE

Facilitator: James Disbro

Committee Members Present: James Disbro*, Kevin Cooper*, Tiffany Barfield*, Jennifer Infanti*

Committee Members Absent: None

ELC Staff: Alison Fraga*, Brigid Kolowith*, Kelley Minney* and Kiyana Scott*

Other Attendees: Kelli Maldonado*

**Indicates attendance via Zoom meeting platform.*

CALL TO ORDER

Quorum Verification

Noting a quorum had been established, Chair Disbro called the meeting to order at 8:03 am.

PUBLIC COMMENT

Kelli Maldonado made a comment regarding the Mindful Recovery Program and thanked the Committee for reviewing the Sarasota Performing Arts Foundation's proposal.

ACTION ITEMS

A. Approval of Minutes for November 11, 2025, Finance Committee Meeting

Kevin Cooper made a motion to approve, Tiffany Barfield made a second. The motion carried unanimously.

B. Proposed Allocation of Funds for Implementation of the Mindful Recovery Program

Alison Fraga, Chief Executive Officer, announced that the Early Learning Coalition of Sarasota County (ELCSC) was awarded a two-year disaster grant. The allocation for fiscal year 2025-2026 is \$1,3M . The funding is specifically designated to:

- Support the early education workforce
- Aid in the ongoing recovery from Hurricane Ian

Mrs. Fraga noted that following a 30-day Request for Proposal (RFP) process, the ELCSC reviewed bids from two organizations:

1. Sarasota Performing Arts Foundation (Winning Bidder)
2. Becker's School Supplies

Total contract amount with the Sarasota Performing Arts Foundation is \$350,000 upon full board approval. Kelli Maldonado, Executive Director of Mission & Impact at the Sarasota Performing Arts Foundation provided the committee with specific details regarding the professional development training model.

The committee members then had further discussion. During the discussion, Committee member Jennifer Infanti disclosed that one of the instructors involved in the proposal is employed by her spouse's business. After review, it was determined that no conflict of interest existed, and she was not required to abstain from voting.

Tiffany Barfield made a motion to approve the proposed allocation of funds to full board approval. Jennifer Infanti made a second. The motion carried unanimously.

FINANCIAL REPORT

A. Budget to Actuals

Mrs. Fraga introduced the November reporting period's budget to actuals report, noting that it was prepared and presented in a new format by the recently hired Chief Financial Officer (CFO) Kevin Smith.

Mrs. Fraga provided context for specific variances identified in the report:

- Timing differences in School Readiness Plus and Voluntary Pre-Kindergarten (VPK) enrollments resulted in variances within the reporting period.
- The final Notice of Award (NOA) received by the ELCSC was greater than the proposed budget that was originally approved by the Board of Directors in June 2025.

CEO REPORT

A. Re-Obligation of Funds

Mrs. Fraga provided an update on the request for reobligation of funds submitted to the Florida Department of Education, Division of Early Learning (DEL) in December 2025:

- The ELCSC requested additional funding across the all possible categories.

- The ELCSC received the NOA January 2026. While the “Special Needs Rate” category did not initially receive additional funding, subsequent discussions with DEL were held.
- Following the discussion with DEL, the ELCSC is scheduled to be awarded School Readiness dollars by the second week of February 2026. A portion of these funds are designated to be used to help cover the Special Needs Rate.

B. Florida Department of Education, Division of Early Learning (DEL) Fiscal Monitoring Update

Mrs. Fraga informed the committee that DEL contracted with Watson Rice audit firm to perform fiscal monitoring at the ELCSC in December 2025.

- Results are pending, but notable observations are anticipated that may require a Corrective Action Plan (CAP).
- Expected findings related to long-overlooked processes and policies, specifically regarding procurement policies, RFP procedures.

Mrs. Fraga noted that the full report will be provided to the Finance Committee at the next meeting in March 2026.

Mrs. Fraga answered questions from the Committee, noting that no findings resulted in disallowed cost.

DISCUSSION ITEMS

A. Finance Committee Meeting Schedule

The committee discussed the meeting schedule for the remainder of the 2025-2026 fiscal year, noting preferred time of 8:30 AM, virtually, with the next meeting March 3, 2026.

ANNOUNCEMENTS

- Storybook Street: Saturday, February 7, 2026, at State College of Florida- Venice Campus

Mrs. Fraga introduced two new members of the ELCSC team to the Finance Committee:

- Kelley Minney, Director of Funding and Strategic Partnerships
- Kiyana Scott, Director of Board Relations & Executive Strategy

Mrs. Fraga noted a virtual attendance option for the Board of Directors meeting on January 21, 2026.

ADJOURNMENT

Citing no further business, Kevin Cooper made a motion to adjourn the meeting at 8:36 am. Tiffany Barfield made a second. The motion carried unanimously.

Read and approved by: _____

Jennifer Infanti, Secretary

Date

DRAFT

**FINANCE COMMITTEE
SPECIAL MEETING
UNAPPROVED MINUTES**

Wednesday, February 4, 2026, at 8:30 am
Zoom Meeting

MEETING ATTENDANCE

Facilitator: James Disbro

Committee Members Present: James Disbro*, Kevin Cooper*, Tiffany Barfield*, Jennifer Infanti*

Committee Members Absent:

ELC Staff: Alison Fraga*, Kelley Minney*, Kiyana Scott*, Kevin Smith*

Other Attendees:

**Indicates attendance via Zoom meeting platform.*

CALL TO ORDER

Quorum Verification

Noting a quorum had been established, Chair Disbro called the meeting to order at 8:34 am.

PUBLIC COMMENT I

There was no Public Comment.

ACTION ITEMS

- A. Approval of Allocation of Funds for MarcoPolo Learning Subscription

Kevin Smith, Chief Financial Officer, noted the following:

- Early Learning Coalition of Sarasota County (ELSC) received a \$125,000 Straus Literacy Initiative grant to fund MarcoPolo Subscriptions, educator stipends, and classroom materials.
- The initial 12-month MarcoPolo contract expired on January 24, 2026.
- To ensure educator access continues without further interruption, staff is seeking approval from the Finance Committee to allocate funds up to \$50,000 to renew the services.

Jennifer Infanti made a motion to approve. Tiffany made a second. The motion carried unanimously.

ADJOURNMENT

Citing no further business, James Disbro made a motion to adjourn the meeting at 8:36 am. Kevin Cooper made a second. The motion carried unanimously.

Read and approved by: _____

Jennifer Infanti, Secretary Date

ACTION ITEM III.C.

ITEM:	Review and Recommendation of Proposed Privacy Policy
FISCAL IMPACT:	N/A
FUNDING SOURCE:	N/A
RECOMMENDED ACTION:	Review and recommend the proposed Privacy Policy to the full Board of Directors for approval.

Purpose: The purpose of a Privacy Policy is to establish clear standards and expectations for the collection, use, storage, sharing, and security of personal information obtained from our donors, clients, volunteers, vendors, and community partners. Personal information may be collected through ELC Sarasota’s programs, services, and activities. This policy affirms ELC Sarasota’s commitment to transparency, accountability, and ethical stewardship of the information entrusted to the organization. The attached policy will be publicly posted on our website.

Attachment(s): ELC Sarasota Privacy Policy



Early Learning Coalition of Sarasota County – Commitment to Donors

January 2026

Early Learning Coalition of Sarasota County (ELCSC) Donor Policy

ELCSC believes in safeguarding personal information and ensuring that privacy is respected and protected for donors, all clients, volunteers, vendors and community partners. We will use personal information to keep donors, friends, vendors, volunteers and community partners informed of our activities, including our programs, special events and funding needs. We respect all requests to remain anonymous. We will always provide an “opt-out” procedure for donors and others who receive such materials to request that their names be deleted from similar mailings, phone calls, faxes or electronic communications in the future. Donors, friends, volunteers and community partners may contact ELCSC at any time, and we will gladly accommodate your preferences. Individuals may choose to opt out of electronic communication, including emails and faxes. Individual may also request that their record be flagged as “Do Not Call.” ELCSC will honor all or a combination of these “opt out” preferences.

Donor Information

Collection of Data: ELCSC collects personal data through event registration, email, subscription, online donation services, postal mail, wire transfer, phone and other electronic means. We only collect this information when users submit it voluntarily or through ELCSC’s website. If a user prefers not to submit such information online, they may contact ELCSC to determine an appropriate channel to transmit this information.

- We may collect a person’s first name, last name, email address, company, position, secondary email address, address, city, state, zip code, and phone numbers (home, work, or mobile). We may collect event-specific information pertaining to a person’s attendance, corporate affiliation, meal preferences and guests.
- We may collect the provided name and email of a spouse, contributor or foundation to facilitate the recognition for a gift. This confidential information is kept on file for Internal Revenue Service (IRS) purposes.
- ELCSC complies with CANSPAM, and at any time donors, volunteers, alumni and friends may “opt- out” or be removed from our contact lists and can unsubscribe to emails. ELCSC will discontinue contact with any person upon oral or written request. For questions regarding our privacy policy or to make an “opt-out” request, please feel free to contact us at:

1750 17th Street, Building L
Sarasota, FL 34234
Phone 941.954.4830 ~ Fax 941.954.4831
www.earlylearningcoalitionsarasota.org



Early Learning Coalition of Sarasota County
Administrative Office
1750 17th Street
Sarasota, Florida 34234
Phone: 941- 954-4830

ELCSC will maintain an electronic record in our database of all requests for discontinuance of contacts. Oral requests will be recorded in writing by ELCSC staff and will then be permanently recorded in the electronic donor database.

Storage of Data: Donor information is maintained in a password-protected, secured database. Only authorized personnel have access to this information and only for appropriate business purposes. This information is shared with board members and authorized staff, only on a confidential and need-to-know basis.

Sharing of Data: We respect our donors' choices and control over their information. As a donor, you may at any time have your name excluded from any donor list exchange activity. To ask that your name be excluded from list exchange activity or to otherwise change how ELCSC contacts you, please email us at info@elcsarasota.org.

Online Security: ELCSC uses third party vendors who maintain compliance with Payment Card Industry Data Security Standard (PCI DSS). This is a set of requirements designed to ensure that ALL companies that process, store or transmit credit card information maintain a secure environment. Essentially, this includes any merchant that has a Merchant ID (MID).

- The PCI DSS is administered and managed by the PCI SSC (www.pcisecuritystandards.org), an independent body that was created by the major payment card brands (Visa, MasterCard, American Express, Discover and JCB). It is important to note that the payment brands and acquirers are responsible for enforcing compliance, not the PCI council. A copy of the PCI DSS is available here.
- Efforts are made to protect card numbers at all times. ELCSC does not store credit card numbers, and credit card refunds are processed manually and under strict guidelines.

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Donor Bill of Rights: This Bill of Rights was created by the Association of Fundraising Professionals (AFP), the Association for Healthcare Philanthropy (AHP), the Council for Advancement and Support of Education (CASE), and the Giving Institute: Leading Consultants to Non-Profits. ELCSA believes in and upholds this Bill of Rights in all donor interactions.

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements.
- IV. To be assured their gifts will be used for the purposes for which they were given.
- V. To receive appropriate acknowledgement and recognition.
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest in the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- X. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Changes To This Donor Policy

ELCSA may revise this Privacy Policy at any time by updating this posting. Please consult this Privacy Policy regularly.

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ACTION ITEM III.D.

ITEM:	Review and Recommendation of Prospective Private Sector Board Member
	N/A
FISCAL IMPACT:	N/A
FUNDING SOURCE:	
RECOMMENDED ACTION:	Review and recommend the appointment of Ryan Guerin as a Private Sector Member of the Board of Directors to the full Board.

Overview: Pursuant to Article IV of the Coalition’s Bylaws, Private Sector members must reside in Florida, be an employee, manager, or owner of a business entity operating within Sarasota County and must not have a substantial financial interest in the School Readiness or Voluntary Prekindergarten Program as defined in section 112.3143, Florida Statutes.

Potential private sector applicants, other than gubernatorial appointees, are reviewed by the Governance Committee, which makes a recommendation to the full Board of Directors.

The Governance Committee will review the application and qualifications of the prospective candidate to confirm eligibility and alignment with the Coalition’s mission and governance responsibilities.

Purpose: The purpose of this item is to determine whether to recommend the candidate to the full Board of Directors for appointment to a Private Sector seat.

Attachment(s): Ryan Guerin’s Board Membership Application



Board Membership Application

Please type or print clearly

PERSONAL INFORMATION

Guerin **Ryan**
 Last Name First Name Middle

DOB: mm/dd/yyyy _____

Employer/Affiliation Shumaker, Loop & Kendrick, LLP Title Attorney

_____r
 Street Address

Sarasota, Florida 34236

City/State/Zip Code

(941) 364-2704 (941) 773-9595
 Phone Mobile Fax

Email Address: rguerin@shumaker.com

Are you a parent? Y N If yes, ages of Children 1, 2

Is your employer a private, for-profit enterprise, a community based non-profit organization
 Other (please specify): _____

COMMUNITY/CIVIC INVOLVEMENT

Please list up to five community, civic, professional, business, and other organizations of which you are or have been a member.

Organization Name	Dates of Membership	Position(s) Held
Bradenton Area EDC	2024 – present	Board Member
Argus Foundation	2023 – present	Membership Committee
_____	_____	_____
_____	_____	_____
_____	_____	_____

STATEMENT OF INTEREST (Use additional pages or cover letter if needed)

What is your educational background?
 Bachelor's, Florida State University, 2012
 Juris Doctorate, Florida State University, 2018

What experience do you have working with young children and families?

Although without experience in a formal setting, I bring lived experience as a parent of young children, which has given me a strong, practical understanding of early childhood development and the needs of families. Through navigating childcare and community resources, I have gained insight into the challenges families face and the importance of accessible, high-quality early education. This perspective motivates my interest in supporting policies and programs that strengthen outcomes for young children and the families who care for them

How would the ELC Sarasota benefit from your involvement on the Board?

I believe that the ELC would benefit from my perspective as a parent of young children. As someone who is actively navigating early learning options and family support systems in our community, I can offer a current, family-centered viewpoint that reflects the real experiences, needs, and priorities of the families in the communities that the coalition serves. My involvement would help ensure that board discussions and decisions remain connected to the day-to-day realities of young children and their caregivers, strengthening the coalition's impact and relevance.

Do you, a relative of yours, or your business affiliation, now or within the prior 2 years, have or had direct or indirect ownership of more than 5% of the total assets or income from the Division of Early Learning (DEL), Department of Children & Families (DCF), Department of Education (DOE), an Early Learning Coalition (ELC), a District School's Pre-K program, or an ELC's fiscal agent, service provider, contractor, or subcontractor? (Florida Rules 6M-9.110 Requirements & Criteria for Early Learning Coalitions).

No Yes If yes, please explain:

On which committees would you be interested in serving?

Governance Finance Legislative Affairs
 Service Delivery & Efficiency Provider Review Hearing Communications & Outreach

Please list three (3) references:

Name	Phone Number	Email	Professional/Personal
Jennifer Compton,	[REDACTED]	[REDACTED]	Both
Jason Collier,	[REDACTED]	[REDACTED]	Both
Patrick Duggan, ([REDACTED]	[REDACTED]	Both
Pete Skokos,	[REDACTED]	[REDACTED]	Personal

Federal and State law requires this Coalition to reflect representation of the local community by race, gender, ethnicity, and other characteristics.

Gender Identity:	<input checked="" type="checkbox"/> Male	Race/Ethnicity:	<input type="checkbox"/> Native American, American Indian, or Alaska Native
	<input type="checkbox"/> Female		<input type="checkbox"/> Asian or Asian American
	<input type="checkbox"/> Transgender		<input type="checkbox"/> Black or African American
	<input type="checkbox"/> Non- binary		<input type="checkbox"/> Native Hawaiian or Other Pacific Islander
	<input type="checkbox"/> Does not disclose		<input checked="" type="checkbox"/> White or Caucasian
			<input type="checkbox"/> Hispanic, Latino or Spanish
			<input type="checkbox"/> Other
			<input type="checkbox"/> Unknown
Age Range:	<input type="checkbox"/> 18-24	<input checked="" type="checkbox"/> 25-35	
	<input type="checkbox"/> 35-44	<input type="checkbox"/> 45-54	
	<input type="checkbox"/> 55-64	<input type="checkbox"/> 65 or Above	
	<input type="checkbox"/> Does not disclose		
Are you a person living with a disability?	<input type="checkbox"/> Yes	<input type="checkbox"/> Does not disclose	
	<input checked="" type="checkbox"/> No		
Have you ever served or now serve in active duty in any of the U.S. Armed Forces?	<input type="checkbox"/> Yes	<input type="checkbox"/> Does not disclose	
	<input checked="" type="checkbox"/> No		

COMMITMENT AND OPERATIONAL STATEMENTS

Time Commitment: Serving on the Early Learning Coalition of Sarasota County will require a commitment of time including regular coalition meetings, committee involvement, reading and becoming educated about many aspects of early childhood development and school readiness.

Employment: The school readiness legislation states that nominated members must be from the private sector, and neither they nor their families may earn an income from the early education or child care industry.

Conflict of Interest: Conflict of interest may occur when an item is presented for a vote that will directly affect you, your employer, or another organization you are involved with. Conflict of interest rules generally require you to disclose the conflict and abstain from discussion or voting on the matter.

Government in the Sunshine: The Early Learning Coalition of Sarasota County is a legislatively mandated group and will operate following the rules and guidelines of "Government in the Sunshine".

My signature below confirms my understanding of these requirements and my agreement for application for membership to the Early Learning Coalition of Sarasota County.

Guerin, Ryan M.

Digitally signed by: Guerin, Ryan M.
DN: CN = Guerin, Ryan M. email = rguerin@shumaker.com OU =
SLK Users, Sarasota
Date: 2026.01.06 11:18:06 -05'00'

01/06/2025

Applicant Signature

Date

Application forms may be completed in full and submitted to:

Kiyana Scott, Director of Board
Relations & Executive Strategy
Early Learning Coalition of Sarasota County
631750 17th Street Building L Sarasota FL 34214
Email: kscott@elcsarasota.org
Website: www.elcsarasota.org
Telephone: (941) 954-4830

**Budget to Actual
December 31, 2025**

	YTD Actual	YTD Original Budget	Difference YTD favorable /(unfavorable)	%	FY 25-26 Forecast	FY 25-26 Original Budget	Difference YTD favorable /(unfavorable)	%
Program Revenue								
School Readiness	5,265,905	5,568,563	(302,658)	-5.4%	11,244,631	11,166,526	78,105	0.7%
School Readiness Match - DEL	187,979	140,380	47,599	33.9%	280,760	280,760	-	0.0%
School Readiness - Local Funders:								
Sarasota County	185,806	175,000	10,806	6.2%	350,000	350,000	-	0.0%
School Readiness - Local Funders	185,806	175,000	10,806	6.2%	350,000	350,000	-	0.0%
Total School Readiness Revenue	5,639,690	5,883,943	(244,253)	-4.2%	11,875,391	11,797,286	78,105	0.7%
Other Local Funders:								
Apprenticeship Program	11,000	-	11,000	100.0%	11,000	-	11,000	100.0%
Bridges to Success Program	24,349	-	24,349	100.0%	24,349	-	24,349	100.0%
United Way (<i>Strengthening Quality</i>)	6,000	-	6,000	100.0%	6,000	-	6,000	100.0%
Misc. Donations	8,886	-	8,886	100.0%	10,720	-	10,720	100.0%
Other Local Funders	50,235	-	50,235	100.0%	52,069	-	16,720	100.0%
Total School Readiness Revenue and Local Revenue	5,689,926	5,883,943	(194,017)	-3.3%	11,927,460	11,797,286	130,174	1.1%

Program Expenses

School Readiness								
Direct Services	4,399,682	4,510,184	110,502	2.5%	9,096,162	9,020,367	(75,795)	-0.8%
School Readiness Match - DEL	187,979	140,380	(47,599)	-33.9%	280,760	280,760	-	0.0%
School Readiness - Local Funders	190,409	175,000	(15,409)	-8.8%	350,000	350,000	-	0.0%
General Contributions and Gifts	50,235	-	(50,235)	100.0%	52,069	-	(52,069)	100.0%
Total Direct Services	4,828,305	4,825,564	(2,741)	-0.1%	9,778,991	9,651,127	(127,864)	-1.3%
Personnel	604,309	787,898	183,589	23.3%	1,575,795	1,575,795	-	0.0%
Staff Development	869	7,750	6,881	88.8%	15,500	15,500	-	0.0%
Professional Services	46,892	123,490	76,598	62.0%	120,980	270,980	150,000	55.4%
Occupancy	41,055	39,650	(1,405)	-3.5%	79,300	79,300	-	0.0%
Postage, Freight and Delivery	257	950	693	73.0%	1,900	1,900	-	0.0%
Rentals	5,036	4,250	(786)	-18.5%	8,500	8,500	-	0.0%
Supplies	8,921	3,125	(5,796)	-185.5%	15,631	6,250	(9,381)	-150.1%
Communications	6,343	5,850	(493)	-8.4%	11,700	11,700	-	0.0%
Insurance	15,644	11,200	(4,444)	-39.7%	27,800	27,800	-	0.0%
Tangible Personal Property	2,310	-	(2,310)	100.0%	22,310	-	(22,310)	100.0%
Quality	130,411	12,500	(117,911)	-943.3%	175,000	25,000	(150,000)	-600.0%
Travel	4,706	5,075	369	7.3%	10,150	10,150	-	0.0%
Other Operating	15,933	56,642	40,709	71.9%	83,903	113,284	29,381	25.9%
Other Operating Expenses	278,376	270,482	(7,894)	-2.9%	572,674	570,364	(2,310)	-0.4%
ELCHC Operating	882,685	1,058,380	175,695	16.6%	2,148,469	2,146,159	(2,310)	-0.1%
Total School Readiness & Other Expenses	5,710,989	5,883,943	172,954	2.9%	11,927,460	11,797,286	(130,174)	-1.1%

SR Change in Net Assets	(21,064)	-	(21,064)	-100.0%	-	-	-	0.0%
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GOALS

< 5.00 %	School Readiness - Admin	2.2%	4.2%	-2.0%	-46.9%	4.2%	4.2%	0.0%	-0.7%
> 4.00 %	School Readiness - Quality	7.4%	9.7%	-2.3%	-23.3%	9.6%	9.7%	-0.1%	-0.7%
< 22.00%	School Readiness - Non-Direct	14.5%	20.0%	-5.5%	-27.5%	19.9%	20.0%	-0.1%	-0.7%
> 78.00 %	School Readiness - Direct	85.5%	80.0%	5.5%	6.9%	80.1%	80.0%	0.1%	0.2%

VPK Revenue

Voluntary Pre-Kindergarten	2,326,611	2,703,841	(377,230)	-14.0%	5,411,726	5,407,726	4,000	0.1%
Total VPK Revenue	2,326,611	2,703,841	(377,230)	-14.0%	5,411,726	5,407,726	4,000	0.1%
Voluntary Pre-Kindergarten								
Direct Services	2,243,442	2,552,322	308,881	12.1%	5,104,428	5,104,428	-	0.0%
Personnel	42,632	54,137	11,505	21.3%	108,273	108,273	-	0.0%
Staff Development	-	1,000	1,000	-100.0%	2,000	2,000	-	0.0%
Professional Services	24,358	36,354	11,996	33.0%	71,308	72,708	1,400	1.9%
Occupancy	2,792	2,800	8	0.3%	5,600	5,600	-	0.0%
Postage, Freight and Delivery	3	175	172	98.3%	350	350	-	0.0%
Rentals	354	350	(4)	-1.0%	700	700	-	0.0%
Supplies	703	235	(468)	-199.2%	970	470	(500)	-106.4%
Communications	449	400	(49)	-12.1%	800	800	-	0.0%
Insurance	1,163	945	(218)	-23.0%	2,150	2,150	-	0.0%
Tangible Personal Property	174	-	(174)	100.0%	4,000	-	(4,000)	100.0%
Quality	23,525	-	(23,525)	100.0%	50,000	-	(50,000)	100.0%

**Budget to Actual
December 31, 2025**

	YTD Actual	YTD Original Budget	Difference YTD favorable /(unfavorable)	%	FY 25-26 Forecast	FY 25-26 Original Budget	Difference YTD favorable /(unfavorable)	%
Travel	742	75	(667)	-889.7%	1,050	150	(900)	-600.0%
Other Operating	2,948	55,049	52,101	94.6%	60,097	110,097	50,000	45.4%
Other Operating Expenses	57,210	97,383	40,173	41.3%	199,025	195,025	(4,000)	-2.1%
ELCHC Operating	99,842	151,519	51,677	34.1%	307,298	303,298	(4,000)	-1.3%
Total Voluntary Pre-Kindergarten Expenses	2,343,284	2,703,841	360,558	13.3%	5,411,726	5,407,726	(4,000)	0%
VPK Change in Net Assets	(16,672)	-	16,672	-100.0%	-	-	-	0.0%

GOALS

< 5.00 % VPK - Admin	3.3%	4.0%	-0.7%	-16.8%	4.9%	4.0%	0.9%	22.9%
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Ian Disaster Relief

Hurricane Ian Funding	-	-	-	0.0%	1,337,325	-	1,337,325	100.0%
Total Ian Disaster Relief	-	-	-	0.0%	1,337,325	-	1,337,325	100.0%
Ian Disaster Relief	-	-	-	0.0%	-	-	-	0.0%
Direct Services	-	-	-	0.0%	66,866	-	(66,866)	100.0%
Personnel	-	-	-	0.0%	-	-	-	0.0%
Staff Development	-	-	-	0.0%	590,995	-	(590,995)	100.0%
Professional Services	-	-	-	0.0%	-	-	-	0.0%
Occupancy	-	-	-	0.0%	-	-	-	0.0%
Postage, Freight and Delivery	-	-	-	0.0%	-	-	-	0.0%
Rentals	-	-	-	0.0%	-	-	-	0.0%
Supplies	-	-	-	0.0%	438,412	-	(438,412)	100.0%
Communications	-	-	-	0.0%	-	-	-	0.0%
Insurance	-	-	-	0.0%	-	-	-	0.0%
Tangible Personal Property	-	-	-	0.0%	-	-	-	0.0%
Quality	-	-	-	0.0%	239,752	-	(239,752)	100.0%
Travel	-	-	-	0.0%	-	-	-	0.0%
Other Operating	-	-	-	0.0%	1,300	-	(1,300)	100.0%
Other Operating Expenses	-	-	-	0.0%	1,270,459	-	(1,270,459)	100.0%
ELCHC Operating	-	-	-	0.0%	1,337,325	-	(1,337,325)	100.0%
Total Ian Disaster Relief Expenses	-	-	-	0.0%	1,337,325	-	(1,337,325)	100.0%
Ian Disaster Relief Change in Net Assets	-	-	-	0.0%	-	-	-	0.0%

Total Revenue	8,016,537	8,587,784	(571,248)	-6.7%	18,676,511	17,205,012	1,471,499	8.6%
Total Expenses	8,054,273	8,587,784	533,512	6.2%	18,676,511	17,205,012	(1,471,499)	-8.6%
Change in Net Assets	(37,736)	-	(37,736)	-100.0%	-	-	-	0.0%

ELCSC Expenditure Categories

Personnel	646,941	842,034	195,093	23.2%	1,750,934	1,684,068	(66,866)	-4.0%
Staff Development	869	8,750	7,881	90.1%	17,500	17,500	-	0.0%
Professional Services	71,250	159,844	88,594	55.4%	783,283	343,688	(439,595)	-127.9%
Occupancy	43,847	42,450	(1,397)	-3.3%	84,900	84,900	-	0.0%
Postage, Freight and Delivery	260	1,125	865	76.9%	2,250	2,250	-	0.0%
Rentals	5,390	4,600	(790)	-17.2%	9,200	9,200	-	0.0%
Supplies	9,624	3,360	(6,264)	-186.4%	455,013	6,720	(448,293)	-6671.0%
Communications	6,791	6,250	(541)	-8.7%	12,500	12,500	-	0.0%
Insurance	16,806	12,145	(4,661)	-38.4%	29,950	29,950	-	0.0%
Tangible Personal Property	2,484	-	(2,484)	100.0%	26,310	-	(26,310)	100.0%
Quality	153,936	12,500	(141,436)	-1131.5%	464,752	25,000	(439,752)	-1759.0%
Travel	5,448	5,150	(298)	-5.8%	11,200	10,300	(900)	-8.7%
Other Operating	18,881	111,691	92,810	83.1%	145,300	223,381	78,081	35.0%
Other Operating Expenses	335,586	367,865	32,278	8.8%	2,042,158	765,389	(1,276,769)	-166.8%
Total ELCSC Operating Expenses	982,527	1,209,899	227,372	18.8%	3,793,092	2,449,457	(1,343,635)	-54.9%

**THE SCHOOL READINESS
COALITION OF SARASOTA
COUNTY, INC. d/b/a
EARLY LEARNING
COALITION OF
SARASOTA COUNTY**

**Financial Statements
and Supplemental
Information**

**Years Ended
June 30, 2025 and 2024**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The School Readiness Coalition of Sarasota County, Inc.
Sarasota, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The School Readiness Coalition of Sarasota County, Inc. (a nonprofit organization), d/b/a Early Learning Coalition of Sarasota County (the "Coalition"), which comprise the statements of financial position as of June 30, 2025, and 2024, and the related statements of activities and changes in net assets, 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 the Coalition as of June 30, 2025 and 2024, 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Coalition 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 Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Coalition'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 Coalition'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, State of Florida Chapter 10.650, *Rules of the Auditor General*, and special audit guidance provided by the Division of Early Learning, 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 and state financial assistance 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 March 10, 2026, on our consideration of the Coalition'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 Coalition'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 Coalition's internal control over financial reporting and compliance.

Winter Park, Florida
March 10, 2026

STATEMENTS OF FINANCIAL POSITION

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets		
Cash	\$ 2,016,409	\$ 1,973,851
Contracts and grants receivable	1,542,452	1,687,749
Prepaid assets	<u>9,378</u>	<u>2,967</u>
Total current assets	3,568,239	3,664,567
Operating lease ROU asset	<u>121,440</u>	<u>47,637</u>
Total assets	<u>\$ 3,689,679</u>	<u>\$ 3,712,204</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 1,385,429	\$ 1,754,886
Accrued expenses, payroll and benefits	182,254	100,316
Due to grantor agency	948,525	1,075,769
Deferred revenue	370,000	202,291
Operating lease liability	<u>33,994</u>	<u>34,175</u>
Total current liabilities	2,920,202	3,167,437
Non-current operating lease liability	<u>88,022</u>	<u>14,911</u>
Total liabilities	3,008,224	3,182,348
Net assets		
Without donor restrictions	<u>681,455</u>	<u>529,856</u>
Total liabilities and net assets	<u>\$ 3,689,679</u>	<u>\$ 3,712,204</u>

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

**The School Readiness Coalition of Sarasota County, Inc. d/b/a
Early Learning Coalition of Sarasota County**

DRAFT
2/26/2026

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended June 30, 2025 and 2024

	2025	2024
Revenue:		
Florida's Division of Early Learning		
School readiness services	\$ 11,734,544	\$ 14,962,869
Voluntary pre-kindergarten services	5,168,506	4,612,831
Sarasota County program funding	340,408	344,112
Local grants	221,707	180,059
Other income	127,572	180,745
Contribution of non-financial assets		
Donated space	55,627	55,980
Total revenue	17,648,364	20,336,596
Expenses:		
Program services		
School readiness services	11,355,878	14,684,042
Voluntary pre-kindergarten services	5,069,024	4,560,011
Other quality programs	571,582	543,738
Total program expenses	16,996,484	19,787,791
Supporting services		
Administrative	500,281	409,860
Total expenses	17,496,765	20,197,651
Changes in net assets	151,599	138,945
NET ASSETS - BEGINNING OF YEAR	529,856	390,911
NET ASSETS - END OF YEAR	\$ 681,455	\$ 529,856

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

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2025

	Program Services			Supporting Services	Total
	School Readiness Services	Voluntary Pre-Kindergarten Services	Other Quality Programs	Administrative	
Child care payments	\$ 9,922,381	\$ 5,017,525	\$ 333,271	\$ -	\$ 15,273,177
Salaries and wages, employee benefits and payroll costs	1,045,516	202	50,970	354,457	1,451,145
Professional fees	136,479	51,294	3,336	79,007	270,116
Provider training and quality support	1,743	-	155,605	-	157,348
Telephone and internet	79,023	-	2,292	17,597	98,912
Building occupancy	70,289	-	25	13,656	83,970
Insurance expense	25,948	3	821	7,006	33,778
Parent education materials	6,916	-	22,537	1,279	30,732
Printing and copying	8,063	-	-	1,515	9,578
Accounting fees	-	-	-	8,636	8,636
Office supplies	5,773	-	1,183	1,082	8,038
Travel and training	5,601	-	751	1,440	7,792
Other expenses	59	-	221	4,901	5,181
Postage	1,524	-	32	513	2,069
Membership and bank fees	-	-	521	145	666
Non-financial expense Donated space	46,563	-	17	9,047	55,627
Total expenses	<u>\$ 11,355,878</u>	<u>\$ 5,069,024</u>	<u>\$ 571,582</u>	<u>\$ 500,281</u>	<u>\$ 17,496,765</u>

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

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2024

	Program Services			Supporting Services	Total
	School Readiness Services	Voluntary Pre-Kindergarten Services	Other Quality Programs	Administrative	
Child care payments	\$ 9,554,663	\$ 4,499,860	\$ 312,600	\$ -	\$ 14,367,123
Provider training and quality support	3,342,428	11,646	108,610	-	3,462,684
Salaries and wages, employee benefits and payroll costs	1,009,373	-	20,480	287,253	1,317,106
Parent education materials	470,282	-	34,003	914	505,199
Professional fees	47,878	48,505	55,841	36,657	188,881
Building occupancy	66,851	-	390	15,243	82,484
Telephone and internet	59,181	-	1,344	15,841	76,366
Insurance expense	26,123	-	290	6,644	33,057
Equipment	16,599	-	8,053	4,357	29,009
Office supplies	23,104	-	1,243	2,098	26,445
Accounting fees	-	-	-	20,916	20,916
Travel and training	8,709	-	1	1,592	10,302
Printing and copying	8,274	-	-	1,889	10,163
Other expenses	3,461	-	565	5,409	9,435
Postage	1,746	-	35	573	2,354
Membership and bank fees	-	-	18	129	147
Non-financial expense					
Donated space	45,370	-	265	10,345	55,980
Total expenses	<u>\$ 14,684,042</u>	<u>\$ 4,560,011</u>	<u>\$ 543,738</u>	<u>\$ 409,860</u>	<u>\$ 20,197,651</u>

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

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 151,599	\$ 138,945
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Non-cash rent	(873)	333
(Increase) decrease in assets:		
Contracts and grants receivable	145,297	(1,587,767)
Prepaid assets	(6,411)	4,527
Increase (decrease) in liabilities:		
Accounts payable	(369,457)	482,766
Accrued payroll and benefits	81,938	15,493
Due to grantor agency	(127,244)	914,818
Due to providers	-	(169,265)
Deferred revenue	167,709	31,652
	<u>42,558</u>	<u>(168,498)</u>
Net cash provided by (used in) operating activities		
	42,558	(168,498)
Net increase (decrease) in cash		
	42,558	(168,498)
CASH - BEGINNING OF YEAR	<u>1,973,851</u>	<u>2,142,349</u>
CASH - END OF YEAR	<u>\$ 2,016,409</u>	<u>\$ 1,973,851</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES		
ROU asset - lease renewals	\$ 107,105	\$ -
Lease liability - lease renewals	<u>(107,105)</u>	<u>-</u>

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE A - ORGANIZATION

The School Readiness Coalition of Sarasota County, Inc. (the Coalition), d/b/a Early Learning Coalition of Sarasota County, is a not-for-profit organization incorporated in the State of Florida in 2000. The Coalition's purpose is to provide administration and oversight of federal, state and local funds that ensure an integrated school readiness program offering a broad range of services to enhance the overall system of quality childcare and early education services for preschool children in Sarasota County. This includes state and local funds for financial assistance for income eligible families under the original Florida School Readiness Act of 1999, the Voluntary Pre-Kindergarten (VPK) program for all 4-year-olds, implemented by the Florida Legislature in 2005 in response to the Constitutional Amendment passed by the state's citizens in 2002, and Child Care Resource and Referral services providing information regarding quality child care for all families, regardless of income. The Coalition is also responsible for the coordination of local efforts to ensure that young children are prepared for success in school and that child care providers educate and care for preschool children in appropriate, high quality early learning environments that meet legislative mandates.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Functional allocation of expenses

The cost of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Administration: This designation includes the functions necessary to maintain the Coalition's programs and activities; to provide coordination and articulation of the Coalition's program strategy through oversight of an executive director; to secure the proper administrative functioning of the board of directors (the "Board"); and to manage the financial and budgetary responsibilities of the Coalition.

Programs: The following programs are included in the accompanying financial statements: School Readiness - programs to provide financial scholarships for child care for eligible parents and to empower parents as a child's first teacher and help them prepare their children to be ready for school. Voluntary Pre-Kindergarten - program available for every four-year-old in Florida for 540 hours of care in either a traditional school year or a summer program. Quality Improvement System (QIS) - program which oversees the implementation of a local Quality Rating System for child care providers to support high quality early learning environments. A portion of the School Readiness program funds designated for quality expenses also go toward QIS activities.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Use of estimates

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

3. Basis of accounting and financial statement presentation

The accompanying financial statements and accompanying schedules have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and include all funds and activities over which the Board of the Coalition has oversight and financial responsibility.

The Coalition reports information regarding its financial position and activities according to two classes of net assets as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. From time to time the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed restrictions, time and/or purpose restrictions.

The Coalition reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Coalition to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy.

As of June 30, 2025 and 2024, there are no net assets with donor restrictions.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4. Revenue recognition

The Coalition follows Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied, and ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

Revenue from government and local grants are recorded when earned, which is generally when the allowable costs of the specific grant provisions have been incurred or the performance of services rendered. Such revenue is subject to audit by the grantor and, if the examination results in a deficiency of allowable expenses, the Coalition will be required to refund any deficiencies. Management is of the opinion that all monies recognized as revenue without donor restrictions have been earned as of June 30, 2025 and 2024. These amounts are reflected as revenue if received and expended in the same year. Revenue from program fees are recognized when the earnings process is substantially complete, and goods have been delivered or services performed. Revenues from program fees are recognized in the year to which they relate.

Other income includes interest earning on cash and private donations which are recognized in revenue when earned.

The Coalition received advance funding on several program awards, which qualify as deferred revenue under generally accepted accounting principles until the related services are delivered. The total amount of all deferred revenue was \$370,000 and \$202,291 at June 30, 2025 and 2024, respectively.

5. Credit risk

Financial instruments, which potentially expose the Coalition to concentrations of credit risk, consist principally of cash bank deposits. The Coalition's policy is to place its cash investments with high quality financial institutions. The Coalition maintains its cash deposits accounts in institutions which are Federal Deposit Insurance Corporation insured, and which provide coverage on balances up to \$250,000 per depositor per institution.

The Coalition maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Coalition has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents. The Coalition acknowledges that balances over the insured amount are subject to risk.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Contracts and grants receivable

Accounts receivable, which consists principally of grants due from federal and state governmental agencies, are recorded when services are provided. The Coalition's receivables as of June 30, 2025 and 2024 are due in less than one year and management believes all receivables are fully collectible.

7. Furniture and equipment

The Coalition's policy is to capitalize furniture and equipment with a cost in excess of \$5,000 and a useful life greater than one year. Depreciation is provided on a straight-line basis over the estimated useful lives of three to five years. As of June 30, 2025 and 2024, the Coalition has fully depreciated \$25,165 of furniture and equipment still in use.

Furniture and equipment acquired with governmental funds is considered to be owned by the Coalition while used in the program for which it was purchased or in future authorized programs; however, its disposition as well as the ownership of any proceeds from the sale of assets there from is subject to applicable regulations.

8. Income taxes

The Coalition is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code; therefore, no income tax provision is required in the accompanying financial statements. The Coalition is not classified as a private foundation. Contributions to the Coalition are qualified as deductions for charitable contributions.

Management has analyzed the Coalition's various federal and state filing positions and believes that its income tax filing positions and deductions are well documented and supported and that no accruals for tax liabilities are necessary. Therefore, no reserves for uncertain income tax positions have been recorded. The Coalition remains subject to examination by the Internal Revenue Service for the years ended June 30, 2023 through June 30, 2025.

9. Due to grantor agency

The Coalition receives advances on grant awards to meet its cash flow needs. As a result, these amounts are recorded as due to the grantor agency in the statement of financial position until the amounts are paid back to the grantor agency as part of the agreement. Amounts not paid back at the end of the period are considered liabilities until paid back or forgiven by the grantor agency.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. Leases

The Coalition determines if an arrangement is or includes a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. Under ASU 2016-02, Topic 842 *Leases*, (Topic 842), a contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Coalition also considers whether its service arrangements include the right to control the use of an asset.

The Coalition has elected to apply the short-term lease exception to all leases with a term of one year or less. For all other leases, the Coalition recognizes right-of-use (ROU) asset and lease liabilities based on the present value of lease payments over the lease term at the commencement date of the lease. The Coalition has also elected to use the risk-free discount rate for its leases. The risk-free discount rates were obtained using U.S. Treasury securities as posted on the Federal Reserve website.

The Coalition made an accounting policy election to account for each separate lease component and the non-lease components associated with that lease component as a single lease component. Non-lease components that are variable in nature are recorded in variable lease expense in the period incurred.

11. Accounting pronouncements implemented

Effective July 1, 2023, the Coalition adopted FASB ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The adoption of this pronouncement had no impact on the financial statements.

12. Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

13. Subsequent events

Subsequent events have been evaluated through March 10, 2026, which is the date the financial statements were available to be issued.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE C - CONTRACTS AND GRANTS RECEIVABLE

Contracts and grants receivable consisted of the following amounts at June 30:

	2025	2024
Florida's Division of Early Learning	\$ 1,512,708	\$ 1,668,244
Sarasota County Program	18,744	19,505
WRMA	11,000	-
Total contracts and grants receivable	<u>\$ 1,542,452</u>	<u>\$ 1,687,749</u>

NOTE D - MATCH REQUIREMENTS

From the funds in General Appropriations Act, Specific Appropriation 85, \$30,000,000 is provided to expand the provision of services to low income families at or below 200 percent of the federal poverty level as long as the income does not exceed 85 percent of the state median income. To be eligible for funding, the Coalition must match the state funds on a dollar-for-dollar basis and the local match must comply with federal Child Care and Development Block Grant matching requirements. During the years ended June 30, 2025 and 2024, the local matching requirements were met.

NOTE E - COMMITMENTS AND CONTINGENCIES

1. Federal and state appropriated funds

The Coalition received 96% of its support from the federal and state governments in the form of grants for the years ended June 30, 2025 and 2024. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Coalition's programs and activities.

Government grants require the fulfillment of certain conditions as set forth in applicable laws, rules and regulations and in the grant agreements. Failure to fulfill the conditions could result in the return of the funds to the grantor. Management believes such disallowances, if any, would not be material.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE E - COMMITMENTS AND CONTINGENCIES (continued)

2. Operating lease

The Coalition leases space for its administrative offices under non-cancelable operating lease agreements. These leases are the only leases required to be included on the statement of financial position under FASB ASU 2016-02.

As of June 30, 2025, the right-of-use (ROU) asset had a balance of \$121,440; and the lease liability is included in current liabilities (\$33,994) and long-term liabilities (\$88,022), as shown in the statement of financial position.

Additional information about the Coalition's leases for 2025 are as follows:

Lease costs (included in building occupancy):

Operating lease cost	\$ 34,805
Total lease cost	<u>\$ 34,805</u>

Other information:

Cash paid for amounts included in measuring operating lease liability:

Operating cash flows from operating lease	\$ 35,678
Total cash paid for amounts included in measuring operating lease liability	<u>\$ 35,678</u>

Remaining lease terms (years)	3.42
Discount rate	5.680%

The difference between building occupancy expense and building occupancy paid is non-cash rent.

Maturities of operating lease liabilities as of June 30, 2025 are as follows:

2026	\$ 36,927
2027	38,220
2028	39,557
2029	16,718
Total lease payments	<u>131,422</u>
Less: interest	<u>(9,406)</u>
Present value of lease liability	<u>\$ 122,016</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE F - 401K PLAN

The Coalition provides a 401(k) retirement plan for its employees. All regular full-time employees who are at least 21 years of age or older and have performed six months of credited service are eligible to participate. The Coalition matches participants' contribution to the retirement plan up to 5% of the individual participant's annual pay. For the years ended June 30, 2025 and 2024, the Coalition's total contribution to the plan was \$30,180 and \$29,212, respectively.

NOTE G - RELATED PARTY TRANSACTIONS

As mandated by Chapter 1002, Part VI School Readiness Program; and 1002.83 Early Learning Coalitions, certain members of the Coalition's Board of Directors are considered related parties. The related party members include individuals of Venice Nokomis Community Preschool and Lakewood Ranch Business Alliance.

For the year ended June 30, 2025, the Coalition made payments to and had outstanding payables to related parties as follows:

Payments made:

- Venice Nokomis Community Preschool	\$ 72,722
- Lakewood Ranch Business Alliance	<u>5,000</u>
Total payments	<u>\$ 77,722</u>

Outstanding payables:

- Venice Nokomis Community Preschool	\$ <u>2,377</u>
Total payables	<u>\$ 2,377</u>

NOTE H - FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include building occupancy and telephone and internet, which are allocated on a square footage basis, as well as salaries and wages, benefits and payroll costs, professional fees, insurance, and travel and training, which are allocated on the basis of estimates of time and effort.

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

NOTE I - CONTRIBUTED NON-FINANCIAL ASSETS

Contributed non-financial assets that are measurable are recorded as support at their fair values at the date of receipt by the Coalition. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Upon receipt of contributions of non-financial assets, a corresponding amount is recorded as an expense or is capitalized as property and equipment. Donated space includes donated space from the Glasser/Schoenbaum Human Services Center for the Coalition’s administrative offices. For the years ended June 30, 2025 and 2024, contributed non-financial assets recognized as revenue and expense within the Statements of Activities and Statements of Functional Expenses included:

	<u>2025</u>	<u>2024</u>
Donated space	<u>\$ 55,627</u>	<u>\$ 55,980</u>

NOTE J - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Coalition’s financial assets available within one year of the statements of financial position date for general expenditures as of June 30 are as follows:

	<u>2025</u>	<u>2024</u>
Cash	<u>\$ 2,016,409</u>	<u>\$ 1,973,851</u>
Contracts and grants receivable	<u>1,542,452</u>	<u>1,687,749</u>
Total financial assets available within one year	<u>\$ 3,558,861</u>	<u>\$ 3,661,600</u>

As part of the Coalition’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations as they come due. The Coalition receives approximately 96% for the years ended June 30, 2025 and 2024, respectively, of its funding from federal and state grants passed through DEL which are on a reimbursable basis. Throughout the year, the Coalition receives monthly advances and reimbursements from DEL to cover incurred expenses and to manage unanticipated liquidity needs.

SUPPLEMENTAL INFORMATION

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

To the Board of Directors of
The School Readiness Coalition of Sarasota County, Inc.
Sarasota, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The School Readiness Coalition of Sarasota County, Inc. (the "Coalition") (a nonprofit organization), d/b/a Early Learning Coalition of Sarasota County, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, 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 March 10, 2026.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coalition'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 Coalition'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 Coalition's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Winter Park, Florida
March 10, 2026

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

To the Board of Directors of
The School Readiness Coalition of Sarasota County, Inc.
Sarasota, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited The School Readiness Coalition of Sarasota County, Inc. (the "Coalition") (a nonprofit organization), d/b/a Early Learning Coalition of Sarasota County's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, and special audit guidance provided by the Division of Early Learning that could have a direct and material effect on each of the Coalition's major federal programs and state projects for the year ended June 30, 2025. The Coalition's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Coalition complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

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); Chapter 10.650, *Rules of the Auditor General*, and special audit guidance provided by the Division of Early Learning. 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 the Coalition 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 and state project. Our audit does not provide a legal determination of the Coalition'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 Coalition's federal programs and state projects.

Auditor's 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 the Coalition'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 and Chapter 10.650, *Rules of the Auditor General* 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

Auditor's Responsibilities for the Audit of Compliance (continued)

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 Coalition's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650 *Rules of the Auditor General*, 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 Coalition'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 Coalition'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 and Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the Coalition'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and Chapter 10.650, *Rules of Auditor General*, which are described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002. Our opinion on each major federal program and state project are not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Coalition's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Coalition's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 and state project 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 or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Coalition's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Coalition's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

- | | |
|---|---------------|
| 1. Type of auditor’s report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | Yes |
| 3. Audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | Yes |
| 4. Dollar threshold used to distinguish between Type A and Type B programs | \$750,000 |
| 5. Auditee qualified as low-risk auditee? | Yes |

Identification of major programs:

<u>Name of Federal Program</u>	<u>ALN</u>
Child Care and Development Fund Cluster	93.575, 93.596
Temporary Assistance for Needy Families	93.558

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

June 30, 2025

Section I – Summary of Auditor’s Results (continued)

State Financial Assistance

- | | |
|--|------------|
| 1. Type of auditor's report issued on compliance for major projects: | Unmodified |
| 2. Internal control over major projects: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | Yes |
| 3. Audit findings disclosed that are required to be reported in accordance with the Florida Single Audit Act and Chapter 10.650, <i>Rules of the Auditor General</i> | Yes |
| 4. Dollar threshold used to distinguish between Type A and Type B projects | \$750,000 |

Identification of major projects:

<u>Name of State Project</u>	<u>CSFA Number</u>
Voluntary Pre-Kindergarten	48.108

Section II – Enhanced Fields System (EFS) MOD monthly reconciliation

- | | |
|--|-----|
| 1. EFS MOD reconciled monthly | Yes |
| 2. Processes in place to identify and correct errors during monthly reconciliations to EFS MOD | Yes |
| 3. Coalition’s financial records reconcile and agree to EFS MOD records as of program year ended June 30, 2025 | Yes |
| 4. Audit work papers documenting verification of reconciliations available to DEL staff | Yes |

Section III – Financial Statement Findings

No current year findings (no corrective action plan or management letter required).

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

June 30, 2025

Section IV – Federal Award and State Projects Findings and Questioned Costs

Findings and Questioned Costs – Major Federal Programs

Finding 2025-001: Internal Control over Compliance and Compliance with Cash Management

Federal Programs: ALN 93.575/93.596, 93.558, 93.667

Criteria: In accordance with the grant agreement and 2 CFR 200.305(8) and (9), the non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts. Interest earned amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services.

Condition: The Coalition has a cash management policy in accordance with federal regulations, however, the policy was not followed. Federal funds were deposited into non-interest-bearing accounts.

Cause: Lack of effective controls surrounding cash management and review of controls to ensure compliance with federal regulations.

Effect: The Coalition has not accrued interest on DEL grant funds in accordance with federal regulations.

Recommendation: We recommend the Coalition transfer all DEL grant funds to its interest-bearing account and return accrued interest to DEL.

Management's Response: See Management's Corrective Action Plan beginning on page 25.

Findings and Questioned Costs – Major State Projects

Finding 2025-002: Internal Control over Compliance and Compliance with Cash Management

State Projects: CSFA 48.108

Criteria: In accordance with the grant agreement and section 216.181(16)(b), *Florida Statutes* and the DEL grant agreement, advancements are to be temporarily invested, provided that any interest income shall either be returned to the agency or be applied against the agency's obligation to pay the contract amount.

Condition: The Coalition has a cash management policy in accordance with state statutes, however, the policy was not followed. State funds were deposited into non-interest-bearing accounts.

Cause: Lack of effective controls surrounding cash management and review of controls to ensure compliance with state statutes. State funds were deposited into non-interest-bearing accounts.

Effect: The Coalition has not accrued interest on DEL grant funds in accordance with state statutes.

Recommendation: We recommend the Coalition transfer all DEL grant funds to its interest-bearing account and return accrued interest to DEL.

Management's Response: See Management's Corrective Action Plan beginning on page 25.

Section V – Status of Prior Year Audit Findings

There were no prior year findings.

**The School Readiness Coalition of Sarasota County, Inc. d/b/a
Early Learning Coalition of Sarasota County**

DRAFT
2/26/2026

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2025

Grantor/Program Title	ALN CSFA	Award Number	Expenditures
Federal Awards:			
U.S. Department of Health and Human Services			
<i>Passed through State of Florida's Division of Early Learning for School Readiness Services</i>			
Child Care and Development Block Grant	93.575	EL455	\$ 5,926,293
Child Care and Development Block Grant	93.575	EL456	<u>991,756</u>
Total Child Care and Development Block Grant			6,918,049
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EL455	2,590,285
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EL456	<u>58,022</u>
Total Child Care Mandatory and Matching Funds of the Child Care and Development Fund			<u>2,648,307</u>
Total Child Care and Development Fund Cluster			9,566,356
Temporary Assistance for Needy Families	93.558	EL455	2,159,308
Temporary Assistance for Needy Families	93.558	EL456	<u>3,249</u>
Total Temporary Assistance for Needy Families			2,162,557
Social Services Block Grant	93.667	EL455	<u>5,631</u>
Total Expenditures of Federal Awards			<u>\$ 11,734,544</u>
State Financial Assistance:			
State of Florida Department of Education			
<i>Passed through State of Florida's Division of Early Learning</i>			
Voluntary Pre-Kindergarten Services	48.108	EL455	\$ 5,157,158
State General Revenue Unrestricted - School Readiness Plus	N/A	2024-25 SGU	<u>11,348</u>
Total Expenditures of State Financial Assistance			<u>\$ 5,168,506</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 16,903,050</u>

See independent auditor's report.

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

June 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “schedule”) is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), State of Florida Chapter 10.650, *Rules of the Auditor General*, and the *Department of Financial Services' State Projects Compliance Supplement* (Chapter 10.650). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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, and Chapter 10.650 wherein certain types of expenditures are not allowed or are limited as to reimbursement.

NOTE 3 – DE MINIMIS INDIRECT COST RATE ELECTION

The Coalition has elected to not use the 10% de minimis indirect cost rate for its federal programs and state projects for the year ended June 30, 2025. The indirect costs rates used on the Coalition's federal programs and state projects are determined by the relevant federal or state agency.

NOTE 4 – SUBRECIPIENTS

The Coalition did not pass through any awards to subrecipients during the year ended June 30, 2025.

MANAGEMENT'S CORRECTIVE ACTION PLAN

June 30, 2025

MANAGEMENT'S CORRECTIVE ACTION PLAN

Finding 2025-001: Timely Remittance of Earned Interest

Federal Programs ALN: 93.575, 93.596, 93.558, and 93.667

Responsible Party: Alison Fraga, Chief Executive Officer

Anticipated Completion Date: _____

Management response: Concur.

Corrective Action Plan: Coalition management will make sure that measures are in place to ensure all DEL funding is always held in interest bearing bank accounts and returned timely in accordance with rules and regulations.

Finding 2025-002: Timely Remittance of Earned Interest

State Project CFSA: 48.108

Responsible Party: Alison Fraga, Chief Executive Officer

Anticipated Completion Date: _____

Management response: Concur.

Corrective Action Plan: Coalition management will make sure that measures are in place to ensure all DEL funding is always held in interest bearing bank accounts and returned timely in accordance with rules and regulations.

Signature: _____

Title: Chief Executive Officer

Date: March 10, 2026

MANAGEMENT LETTER

To the Board of Directors of
The School Readiness Coalition of Sarasota County, Inc.
Sarasota, Florida

Report on the Financial Statements

We have audited the financial statements of The School Readiness Coalition of Sarasota County, Inc. (a nonprofit organization), d/b/a Early Learning Coalition of Sarasota County (the "Coalition") as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated March 10, 2026.

Auditor's Responsibility

We conducted our audit 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; 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); and Chapter 10.650, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 10, 2026, should be considered in conjunction with this management letter.

Additional Matters

Section 10.654(1)(e), Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or are likely to have occurred, that has an effect on the financial statements or State project amounts that is less than material but warrants the attention of those charged with governance. In connection with our audit, we disclosed a significant deficiency grant agreement noncompliance finding which is disclosed in Section IV of the Schedule of Findings and Questioned Costs.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Winter Park, Florida
March 10, 2026

PROGRAM ENROLLMENT DASHBOARD

School Readiness

1,149
Children Enrolled

By Billing Group

BG1 (At-Risk Referral)	98
BG8 (Application)	1,034
BG3 (TANF)	4
SR Plus	13

Special Needs Rate
Children 1
Providers 1

Fiscal Year-to-Year Comparison

	2024-2025	2025-2026	
July	1,296	1,217	▼ 79
August	1,343	1,279	▼ 64
September	1,166	1,122	▼ 44
October	1,177	1,175	▼ 2
November	1,187	1,185	▼ 2
December	1,196	1,191	▼ 5
January	1,188	1,215	▲ 27

VPK

1,527
Children Enrolled

By Provider Type

Private	1,198
Public	325
VPK SIS (Specialized Instructional Services)	4

Fiscal Year-to-Year Comparison

	2024-2025	2025-2026	
July	66	29	▼ 37
August	1,501	1,422	▼ 79
September	1,617	1,541	▼ 76
October	1,609	1,565	▼ 44
November	1,610	1,552	▼ 58
December	1,608	1,539	▼ 69
January	1,621	1,546	▼ 75

