

## Wayside House, Inc.

Financial Statements and  
Additional Information  
For the Year Ended June 30, 2022



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Wayside House, Inc.

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Wayside House, Inc., (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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 Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the 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* is presented for purposes of additional analysis and is not a required part of the financial statements. Further, the schedules of program/covered service actual expenses and revenues, state earnings, bed-day availability payments, and related party transaction adjustment are also presented for the purposes of additional analysis and are 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 federal awards and state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Wayside House, Inc.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
December 9, 2022

# FINANCIAL STATEMENTS



**Wayside House, Inc.**  
**Statement of Financial Position**  
**June 30, 2022**

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**Assets:**

Cash and cash equivalents	\$	269,285
Restricted cash		8,018
Accounts receivable		181,982
Grants and contracts receivable		200,564
Prepays and other assets		53,183
Property and equipment, net		<u>1,815,075</u>
Total assets	\$	<u><u>2,528,107</u></u>

**Liabilities:**

Accounts payable and other accrued expenses	\$	57,251
Refundable advances and deferred revenues		10,353
Accrued payroll and related liabilities		<u>117,028</u>
Total liabilities		<u>184,632</u>

**Net Assets:**

Without donor restrictions:		
Undesignated		2,211,618
With donor restrictions:		
Purpose restrictions		<u>131,857</u>
Total net assets		<u><u>2,343,475</u></u>
Total liabilities and net assets	\$	<u><u>2,528,107</u></u>

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

**Wayside House, Inc.**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>Change in Net Assets:</b>			
Revenue and other support:			
Contributions	\$ 935,474	\$ 26,787	\$ 962,261
Client services	465,030	-	465,030
Grants and contracts	1,642,268	-	1,642,268
Medicaid	868,701	-	868,701
Other income	3,350	-	3,350
	<u>3,914,823</u>	<u>26,787</u>	<u>3,941,610</u>
Total revenue and other support			
	<u>3,914,823</u>	<u>26,787</u>	<u>3,941,610</u>
Net assets released from restrictions	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
Total revenue, other support and net assets released from restrictions	<u>3,924,823</u>	<u>16,787</u>	<u>3,941,610</u>
Expenses:			
Program services:			
Residential	1,680,387	-	1,680,387
Incidentals	71,109	-	71,109
Medical services	501,695	-	501,695
Outpatient services	1,199,071	-	1,199,071
Posner Career Center	114,617	-	114,617
Supporting services:			
Administration	177,734	-	177,734
Fundraising	142,903	-	142,903
	<u>3,887,516</u>	<u>-</u>	<u>3,887,516</u>
Total expenses			
	<u>3,887,516</u>	<u>-</u>	<u>3,887,516</u>
Change in net assets	37,307	16,787	54,094
<b>Net Assets, July 1, 2021</b>	<u>2,174,311</u>	<u>115,070</u>	<u>2,289,381</u>
<b>Net Assets, June 30, 2022</b>	\$ <u><u>2,211,618</u></u>	\$ <u><u>131,857</u></u>	\$ <u><u>2,343,475</u></u>

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



**Wayside House, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2022**

	Program Services					Supporting Services			
	Residential	Incidentals	Medical Services	Outpatient Services	Posner Career Center	Total Program Services	Administration	Fundraising	Total
<b>Personnel Costs:</b>									
Salaries and wages	\$ 822,309	\$ -	\$ 128,660	\$ 663,514	71,939	\$ 1,686,422	\$ 122,380	\$ 65,000	\$ 1,873,802
Fringe benefits	<u>156,602</u>	<u>-</u>	<u>24,502</u>	<u>126,361</u>	<u>13,027</u>	<u>320,492</u>	<u>23,258</u>	<u>12,524</u>	<u>356,274</u>
Total personnel expenses	<u>978,911</u>	<u>-</u>	<u>153,162</u>	<u>789,875</u>	<u>84,966</u>	<u>2,006,914</u>	<u>145,638</u>	<u>77,524</u>	<u>2,230,076</u>
<b>Other Expenses:</b>									
Building occupancy	116,286	-	4,084	62,291	7,153	189,814	2,273	1,225	193,312
Professional services	163,140	-	10,524	77,078	3,917	254,659	14,250	7,673	276,582
Travel	437	-	-	-	-	437	360	193	990
Equipment	-	-	-	-	-	-	6,594	3,550	10,144
Food services	183,070	-	-	21,982	-	205,052	-	-	205,052
Medical and pharmacy	-	71,109	321,696	-	-	392,805	-	-	392,805
Subcontracted services	-	-	-	142,835	-	142,835	-	-	142,835
Insurance	61,450	-	2,586	18,906	-	82,942	3,123	1,681	87,746
Operating supplies and expenses	<u>116,515</u>	<u>-</u>	<u>7,516</u>	<u>55,052</u>	<u>15,152</u>	<u>194,235</u>	<u>4,314</u>	<u>50,421</u>	<u>248,970</u>
Total other expenses	<u>640,898</u>	<u>71,109</u>	<u>346,406</u>	<u>378,144</u>	<u>26,222</u>	<u>1,462,779</u>	<u>30,914</u>	<u>64,743</u>	<u>1,558,436</u>
Total expenses before provision for depreciation	1,619,809	71,109	499,568	1,168,019	111,188	3,469,693	176,552	142,267	3,788,512
Provision for depreciation	<u>60,578</u>	<u>-</u>	<u>2,127</u>	<u>31,052</u>	<u>3,429</u>	<u>97,186</u>	<u>1,182</u>	<u>636</u>	<u>99,004</u>
Total expenses	<u>\$ 1,680,387</u>	<u>\$ 71,109</u>	<u>\$ 501,695</u>	<u>\$ 1,199,071</u>	<u>\$ 114,617</u>	<u>\$ 3,566,879</u>	<u>\$ 177,734</u>	<u>\$ 142,903</u>	<u>\$ 3,887,516</u>

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

**Wayside House, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2022**

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<b>Cash Flows from Operating Activities:</b>	
Change in net assets	\$ 54,094
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:	
Provision for depreciation	99,004
Changes in assets and liabilities:	
(Increase) decrease in:	
Restricted cash	968
Accounts receivable	(56,464)
Grants and contracts receivable	(81,978)
Prepays and other assets	(44,647)
Increase (decrease) in:	
Accounts payable and other accrued expenses	(76,079)
Accrued payroll and related liabilities	28,702
Refundable advances and deferred revenues	6,663
	<u>(69,737)</u>
Net cash provided by (used in) operating activities	
<b>Cash Flows from Investing Activities:</b>	
Purchases of property and equipment	<u>(18,044)</u>
Net cash provided by (used in) investing activities	<u>(18,044)</u>
Net increase (decrease) in cash and cash equivalents	(87,781)
<b>Cash and Cash Equivalents, July 1, 2021</b>	<u>357,066</u>
<b>Cash and Cash Equivalents, June 30, 2022</b>	\$ <u><u>269,285</u></u>

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

## Note 1 - Organization and Operations

Wayside House, Inc. (the "Organization") is a nonprofit corporation that provides treatment and rehabilitation for women who suffer from substance addictions and returns them and their families to society as productive members of the community of Palm Beach County, Florida. Founded in 1974, by Dr. Susan B. Anthony, the Organization has evolved into a twenty-eight bed professional, residential and outpatient treatment facility. The foundation of treatment is treating the individual within the context of her family. The Organization is supported primarily through donor contributions, grants and fundraising events.

The Organization received its most recent national Behavioral Health Care Accreditation from The Joint Commission in 2021. The Joint Commission is an independent, not-for-profit, national body that oversees safety and quality of health care and other services provided in accredited organizations.

## Note 2 - Summary of Significant Accounting Policies

**Basis of accounting:** The Organization uses the accrual basis of accounting for financial reporting purposes, which is in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Revenues are recognized when earned and expenses are recognized when incurred.

**Basis of presentation:** The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Update (FASB ASU) No. 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASU No. 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Net assets:** Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor (or certain grantor) imposed restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor or grantor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

Generally, contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions 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 reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

## Note 2 - Summary of Significant Accounting Policies (continued)

All contributions are considered available for general use, unless specifically restricted by the donor or subject to other legal restrictions.

**Cash and cash equivalents:** In general, the Organization considers all highly liquid investments, with a maturity of three months or less when purchased to be cash equivalents.

**Restricted cash:** Restricted cash consists of cash deposited in the Organization's bank accounts on behalf of an affiliated alumni group. The Organization reports the related liability in accounts payable and other accrued expenses on the accompanying statement of financial position.

**Promises to give:** Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques using risk-free rate of return. In subsequent years, amortization of the discounts are included in contribution revenue in the accompanying statement of activities. The Organization had no unconditional promises to give as of June 30, 2022. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization had no conditional contributions at June 30, 2022. Consequently, the Organization recorded a refundable advance of approximately \$ 10,000 relating to a conditional contribution pertaining to the Posner Center at June 30, 2022.

**Receivables and allowance for doubtful accounts:** Grants and contracts receivable consist primarily of claims not yet reimbursed by various grantor/contract agencies. Accounts receivable, including third parties, consist of client based services, medical care and support services to individuals. The Organization has established an administrative formula whereby clients are expected to pay amounts based upon their individual financial ability. Because historical losses related to these receivables have been insignificant, management uses the direct write-off method to account for bad debts. On a continuing basis, management analyzes delinquent receivables and, once these receivables are determined to be uncollectible, they are written off through a charge against earnings. Amounts due from contracting agencies are considered by management to be fully collectible within the current accounting period.

**Property and equipment:** Property and equipment are stated at cost if purchased or, if donated, at estimated fair value on the date of donation, less accumulated depreciation. Depreciation of property and equipment is computed on a straight-line basis over the estimated useful life of the of asset which are as follows:

Buildings and improvements	7-39 years
Furniture and equipment	5-7 years
Automobiles	5 years

Donated property and equipment is reported, at estimated fair value, as an increase in net assets without donor restrictions unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as an increase in net assets with donor restrictions. Without donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of the donor restrictions when the donated assets are placed in service, reclassifying net assets with donor restrictions to net assets without donor restrictions at that time. The Organization received no donated property and equipment for the year ended June 30, 2022.

## Note 2 - Summary of Significant Accounting Policies (continued)

Maintenance and repairs to property and equipment are charged to expense when incurred. Additions and major renewals are capitalized.

**Compensated absences:** The Organization's policies provide for granting a specific number of days to full-time exempt employees of paid time off ("PTO"). In addition, these policies provide for paying an employee an specified percentage for unused PTO, upon termination. Compensated absences are accrued when earned.

**Refundable advances and deferred revenue:** Revenues received in advance that are not recognized because the allowable costs as defined by the individual grant or contract have not been incurred, the unit of service has not been provided, and/or the conditions of release have not been substantially met or explicitly waived are considered refundable advances. In addition, revenues received in advance from special events and other program income that are considered exchange transactions are deferred to the applicable period.

**Revenue and revenue recognition:** The Organization recognizes grants and contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met or explicitly waived.

Amounts received prior to meeting certain conditions, including measurable performance or other barriers, providing the unit of service, and/or incurring qualifying expenditures in compliance with the specific grant or contract are reported as a liability, refundable advances, in the statement of financial position.

Revenues from special events that are considered exchange transactions are not recognized until the special event takes place.

Grant and contract revenue is generally billed monthly and is derived from units of service contracts. Amounts received are recognized as revenue when the unit of service has been provided in compliance with the specific contract. Also, any revenue derived from cost-reimbursement contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, is recognized when such expenditures are incurred in compliance with specific contract provisions.

Client services revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled to in exchange for providing patient care. These amounts are due from patients, third-party payers (including health insurers and government programs) and others and includes variable consideration for retroactive adjustments due to settlement of audits, reviews and investigations. Generally, the Organization bills patients and third-party payers several days after the services are performed. Revenue is recognized as performance obligations are satisfied.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients in accordance with the Organization's policy and/or implicit price concessions provided to uninsured patients. The Organization determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Organization determines its estimate of implicit price concessions based on historical collection experience with this class of patients.

## Note 2 - Summary of Significant Accounting Policies (continued)

Consistent with the Organization's mission, care is provided to patients regardless of their ability to pay. Therefore, the Organization has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Organization expects to collect based on its collection history with those patients.

**Donated goods and services:** Donated services are recognized, at estimated fair value, as a contribution, along with corresponding expense, if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individual with those skills, and would otherwise have been purchased. Donated goods are recorded at their estimated fair market value when received.

**Functional expenses:** The costs of providing the various programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Program and supporting services are charged with their direct expenses. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated include personnel costs, professional services and building occupancy, among other expenses; which are allocated on the basis of estimates of time and effort, square footage basis, as well as other methods as determined from time-to-time by management.

**Advertising costs:** Advertising costs are charged to expense as incurred.

**Concentration of credit risk:** Financial instruments, which potentially subject the Organization to concentration of credit risk, consist primarily of receivables and cash and cash equivalents. The concentration of credit risk with respect to receivables is primarily due to the economic dependency in federal, state, and other agencies and the ability to obtain authorization, process and collect balances timely. Other receivables are dependent on the financial ability of the individual payor. The Organization does not require collateral or other security to support receivables.

The Organization has cash in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC"). At various times throughout the year, the Organization may have cash balances at financial institutions that exceed the insured amount. Deposit accounts are maintained with what management believes to be quality financial institutions.

**Income taxes:** The Organization is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code ("IRC") and is therefore exempt from corporate income taxation on income related to its exempt function. No provision for income taxes was recorded for the year ended June 30, 2022 since the Organization was deemed by management not to have unrelated business income.

**Use of estimates:** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Date of management review:** Subsequent events were evaluated by management through December 9, 2022, which is the date the financial statements were available for issuance.

**Note 3 - Liquidity and Availability of Financial Assets**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial Assets:		
Cash and cash equivalents	\$	269,285
Accounts receivable		181,982
Grants and contracts receivable		<u>200,564</u>
Financial assets, at year-end		<u>651,831</u>
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restrictions by donor with purpose restrictions		<u>(131,857)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u><u>519,974</u></u>

**Note 4 - Property and Equipment**

Property and equipment consists of the following at June 30, 2022:

Buildings and improvements	\$	2,716,181
Furniture and equipment		413,560
Automobiles		<u>150,996</u>
		3,280,737
Less accumulated depreciation		<u>1,789,362</u>
		1,491,375
Land		<u>323,700</u>
Total	\$	<u><u>1,815,075</u></u>

**Note 5 - Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes as of June 30, 2022:

Subject to expenditure for specified purpose:		
Vocational and job placement programs	\$	106,701
Playground and fitness equipment		13,656
Garden		1,500
Holistic therapeutic services		<u>10,000</u>
Total	\$	<u><u>131,857</u></u>

**Note 5 - Net Assets with Donor Restrictions (continued)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

Satisfaction of purpose restrictions:	
Holistic therapeutic services	\$ <u>10,000</u>

**Note 6 - Governmental Contracts for Client Services**

Funding agreements for services to be provided are principally entered into from one to three year installments. The release of funds is subject to monies being made available by the Federal government, the State of Florida, local municipalities and other grantor agencies. Certain of the agreements may be terminated by either party upon thirty days written notice. However, such an event would be unlikely if contract performance continues to be satisfactory and grantors' annual budgets are authorized by each respective governing body.

Program expenditures incurred by the Organization are subject to additional audit by grantor agencies. As a result of such audits, the grantor may require that amounts be returned. In certain instances, the grantor may provide additional funds to the Organization to offset amounts which may otherwise be due back to the grantor agencies based on their audits.

**Note 7 - Retirement Plans**

The Organization maintains a 401(k) Plan. All employees twenty-one years of age or older, with one year of service, are eligible to participate in the plan. Employer contributions are at the Organization's discretion, as defined by the plan and no employee contributions are required, but are permitted. Employees are fully and immediately vested in their pension accounts upon completion of five years of service or age 55 years, whichever comes first. For the year ended June 30, 2022, the Organization's did not make any discretionary contributions.

**Note 8 - Endowment**

Two benefactors of the Organization previously established an endowment. The purpose of the endowment is to insure the perpetuity of the Organization and to enable the Organization to continue to offer its services to women unable to pay for treatment and rehabilitation. The principal of the endowment cannot be expended without written consent of the full Board of Directors when, in their judgment, use is necessary for the continuation of the Organization's operations. The income of the fund can be used to supplement employee benefits of the Organization, such as pension costs. Because the funds are not controlled by the Organization, they are not consolidated into these financial statements. The ending asset value of the endowment funds at June 30, 2022 was approximately \$ 3,287,000.

**Note 9 - Concentrations in Operations**

Approximately 39% of the Organization's total revenue and other support was provided by the State of Florida, Department of Children and Families. If a significant reduction in the level of funding were to occur, there could be an adverse effect on the Organization's programs and activities.



**Note 10 - Commitments**

The Organization entered into an operating lease agreement for additional office space beginning July 2022 through June 2024, with two one year renewal options. The lease requires monthly payments of approximately \$ 13,200 through June 2023 (with 3% annual increases). Future minimum payments required under the above operating lease is approximately as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 158,300
2024	\$ 163,100

## ADDITIONAL INFORMATION



**Wayside House, Inc.**  
**Schedule of Expenditures of Federal Awards and State Financial Assistance**  
**For the Year Ended June 30, 2022**

<u>Federal/State Agency/Pass through Entity/ Program Title</u>	<u>AL/CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>State Matching Expenditures (1)</u>	<u>Transfer to Subrecipients</u>
<b>Federal Agency Name:</b>					
Indirect programs:					
U.S. Department of Health and Human Services- Pass-through Southeast Florida Behavioral Health Network- Temporary Assistance to Needy Families	93.558	PDA51	\$ 50,906	\$ -	\$ -
Opioid State Targeted Response	93.788	PDA51	72,230	-	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	PDA51	<u>645,004</u>	<u>763,729</u>	<u>-</u>
Total expenditures of financial awards			<u><u>768,140</u></u>	<u><u>763,729</u></u>	<u><u>-</u></u>
<b>State Financial Assistance:</b>					
Indirect projects:					
Pass-through Florida Alcohol & Drug Abuse Association Naltrxone: OSCA Extended Release Injectable Naltrexone	22.022	--	13,564	-	-
Medically Assisted Drug Treatment Program	22.030	--	<u>3,574</u>	<u>-</u>	<u>-</u>
Total expenditures of state financial assistance			<u><u>17,138</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Total expenditures of federal awards and state financial assistance			<u><u>\$ 785,278</u></u>	<u><u>\$ 763,729</u></u>	<u><u>\$ -</u></u>

(1) State financial assistance not subject to Section 215.97, Florida Statutes.

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards, and State Financial Assistance (the "Schedules") include the grant activity of (the "Organization") under programs of the federal and state for the year ended June 30, 2022. The information in the Schedule of Expenditures of Federal Awards and State Financial Assistance is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule present, only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Organization.

**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, as applicable.

**Note 3 - Contingency**

Grants and contracts revenue are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor/contracting agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the Organization. In the opinion of management, all grant and contract expenditures are in compliance with the terms of the grant/contract agreements and applicable state laws and other regulations.

**Note 4 - Indirect Cost Rate**

The Organization did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues**  
**For the Year Ended June 30, 2022**

<b>Adult Substance Abuse</b>						
	<b><u>Residential II</u></b>	<b><u>Intervention (Individual)</u></b>	<b><u>Incidental Expenses</u></b>	<b><u>Medical Services</u></b>	<b><u>Medication- Assisted Tx</u></b>	<b><u>Assessment</u></b>
<b>Funding Sources and Revenues:</b>						
State SAMH Funding:						
Contract/OCA:						
MS003	\$ 752,510	\$ -	\$ -	\$ -	\$ -	\$ -
MS011	-	-	-	42,350	-	53,400
MS023	-	9,180	-	-	-	-
MS081	12,985	-	-	-	-	-
MS0TB	35,510	-	-	-	-	-
MSSG3	-	-	-	-	-	-
MSSM3	-	-	2,518	1,448	71	-
MSSM4	-	-	175	13,613	20,493	-
MSTRV	-	-	18,676	-	-	-
MSTVS	-	-	13,578	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total State SAMH funding	<u>801,005</u>	<u>9,180</u>	<u>34,947</u>	<u>57,411</u>	<u>20,564</u>	<u>53,400</u>
<b>Other Governmental Funding:</b>						
Other state agency funding	-	-	-	-	17,558	-
Local grants	-	-	-	-	-	-
Medicaid	<u>736,472</u>	<u>-</u>	<u>-</u>	<u>1,512</u>	<u>-</u>	<u>-</u>
Total other government funding	<u>736,472</u>	<u>-</u>	<u>-</u>	<u>1,512</u>	<u>17,558</u>	<u>-</u>
<b>All Other Revenues:</b>						
1st and 2nd party payments	222,637	-	-	1,952	-	-
3rd party payments (except Medicare)	30,950	-	-	-	-	-
Contributions and donations	-	-	-	337,000	-	45,000
Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other revenue	<u>253,587</u>	<u>-</u>	<u>-</u>	<u>338,952</u>	<u>-</u>	<u>45,000</u>
Total funding	\$ <u><u>1,791,064</u></u>	\$ <u><u>9,180</u></u>	\$ <u><u>34,947</u></u>	\$ <u><u>397,875</u></u>	\$ <u><u>38,122</u></u>	\$ <u><u>98,400</u></u>

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	<b>Adult Substance Abuse</b>					
	<b>Residential II</b>	<b>Intervention (Individual)</b>	<b>Incidental Expenses</b>	<b>Medical Services</b>	<b>Medication- Assisted Tx</b>	<b>Assessment</b>
<b>Personnel Expenses:</b>						
Salaries and wages	\$ 626,934	\$ 10,159	\$ -	\$ 111,751	\$ 10,159	\$ 55,876
Fringe benefits	119,720	1,940	-	21,340	1,940	10,670
<b>Total personnel expenses</b>	<b>746,654</b>	<b>12,099</b>	<b>-</b>	<b>133,091</b>	<b>12,099</b>	<b>66,546</b>
<b>Other Expenses:</b>						
Building occupancy	158,397	3,597	-	3,705	2,471	3,250
Professional services	40,025	275	-	1,824	1,216	1,600
Travel	437	-	-	-	-	-
Equipment	-	-	-	-	-	-
Food services	183,070	-	-	-	-	-
Medical and pharmacy	-	-	71,109	277,803	43,893	-
Subcontracted Services	-	-	-	-	-	-
Insurance	52,204	220	-	1,461	975	1,282
Operating supplies and expenses	97,716	671	-	4,452	2,969	3,906
<b>Total other expenses</b>	<b>531,849</b>	<b>4,763</b>	<b>71,109</b>	<b>289,245</b>	<b>51,524</b>	<b>10,038</b>
<b>Total personnel and other expenses</b>	<b>1,278,503</b>	<b>16,862</b>	<b>71,109</b>	<b>422,336</b>	<b>63,623</b>	<b>76,584</b>
<b>Distributed Indirect Costs:</b>						
Administration	61,253	808	3,407	20,234	3,048	3,669
<b>Total actual operating expenses</b>	<b>1,339,756</b>	<b>17,670</b>	<b>74,516</b>	<b>442,570</b>	<b>66,671</b>	<b>80,253</b>
<b>Unallowed Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total allowable operating expenses</b>	<b>\$ 1,339,756</b>	<b>\$ 17,670</b>	<b>\$ 74,516</b>	<b>\$ 442,570</b>	<b>\$ 66,671</b>	<b>\$ 80,253</b>
<b>Capital Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	Adult Substance Abuse					
	Outpatient (Group)	Outpatient (Individual)	Recovery Support (Individual)	Case Management	Room & Board with Supervision Level II	Room & Board with Supervision Level III
<b>Funding Sources and Revenues:</b>						
State SAMH Funding:						
Contract/OCA:						
MS003	\$ -	\$ -	\$ -	\$ -	\$ 192,851	\$ 149,050
MS011	37,795	49,288	4,895	2,446	-	-
MS023	-	-	-	-	-	-
MS081	-	-	-	-	-	-
MS0TB	5,996	6,760	-	-	-	-
MSSG3	-	-	-	-	-	-
MSSM3	2,610	1,756	252	115	-	-
MSSM4	9,783	12,385	863	1,565	-	-
MSTRV	-	-	-	-	-	-
MSTVS	-	-	-	-	-	-
Total State SAMH funding	<u>56,184</u>	<u>70,189</u>	<u>6,010</u>	<u>4,126</u>	<u>192,851</u>	<u>149,050</u>
<b>Other Governmental Funding:</b>						
Other state agency funding	-	-	-	-	-	-
Local grants	-	-	-	-	-	-
Medicaid	-	14,930	-	-	-	-
Total other government funding	<u>-</u>	<u>14,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>All Other Revenues:</b>						
1st and 2nd party payments	-	5,700	-	-	-	-
3rd party payments (except Medicare)	-	1,810	-	-	-	-
Contributions and donations	92,000	-	50,000	44,000	-	59,000
Other income	-	-	-	-	-	-
Total all other revenue	<u>92,000</u>	<u>7,510</u>	<u>50,000</u>	<u>44,000</u>	<u>-</u>	<u>59,000</u>
Total funding	<u>\$ 148,184</u>	<u>\$ 92,629</u>	<u>\$ 56,010</u>	<u>\$ 48,126</u>	<u>\$ 192,851</u>	<u>\$ 208,050</u>

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	<b>Adult Substance Abuse</b>					
	<b>Outpatient (Group)</b>	<b>Outpatient (Individual)</b>	<b>Recovery Support (Individual)</b>	<b>Case Management</b>	<b>Room &amp; Board with Supervision Level II</b>	<b>Room &amp; Board with Supervision Level III</b>
<b>Personnel Expenses:</b>						
Salaries and wages	\$ 118,355	\$ 118,355	\$ 45,716	\$ 40,637	\$ 142,072	\$ 70,545
Fringe benefits	<u>22,601</u>	<u>22,601</u>	<u>8,730</u>	<u>7,760</u>	<u>27,130</u>	<u>13,471</u>
Total personnel expenses	<u>140,956</u>	<u>140,956</u>	<u>54,446</u>	<u>48,397</u>	<u>169,202</u>	<u>84,016</u>
<b>Other Expenses:</b>						
Building occupancy	3,420	5,638	975	251	13,865	-
Professional services	1,683	2,775	479	124	6,825	4,465
Travel	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Medical and pharmacy	-	-	-	-	-	-
Subcontracted Services	-	-	-	-	-	103,800
Insurance	1,348	2,224	384	99	5,468	3,578
Operating supplies and expenses	<u>4,109</u>	<u>6,775</u>	<u>1,171</u>	<u>302</u>	<u>16,661</u>	<u>10,902</u>
Total other expenses	<u>10,560</u>	<u>17,412</u>	<u>3,009</u>	<u>776</u>	<u>42,819</u>	<u>122,745</u>
Total personnel and other expenses	<u>151,516</u>	<u>158,368</u>	<u>57,455</u>	<u>49,173</u>	<u>212,021</u>	<u>206,761</u>
<b>Distributed Indirect Costs:</b>						
Administration	<u>7,259</u>	<u>7,587</u>	<u>2,753</u>	<u>2,356</u>	<u>10,158</u>	<u>9,906</u>
Total actual operating expenses	<u>158,775</u>	<u>165,955</u>	<u>60,208</u>	<u>51,529</u>	<u>222,179</u>	<u>216,667</u>
<b>Unallowed Costs</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total allowable operating expenses	<u>\$ 158,775</u>	<u>\$ 165,955</u>	<u>\$ 60,208</u>	<u>\$ 51,529</u>	<u>\$ 222,179</u>	<u>\$ 216,667</u>
<b>Capital Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	<u>Federal Project Grant</u>	<u>Day Treatment</u>	<u>Cost Reimbursement</u>	<u>Total Adult Substance Abuse</u>	<u>Total for State Funded SAMH Covered Services</u>	<u>Total for Non-State Funded SAMH Covered Services</u>
<b>Funding Sources and Revenues:</b>						
State SAMH Funding:						
Contract/OCA:						
MS003	\$ -	\$ -	\$ -	\$ 1,094,411	\$ 1,094,411	\$ -
MS011	-	5,160	64,569	259,903	259,903	-
MS023	-	-	-	9,180	9,180	-
MS081	-	-	-	12,985	12,985	-
MS0TB	-	2,640	-	50,906	50,906	-
MSSG3	4,584	-	-	4,584	4,584	-
MSSM3	-	-	-	8,770	8,770	-
MSSM4	-	-	-	58,877	58,877	-
MSTRV	-	-	-	18,676	18,676	-
MSTVS	-	-	-	13,578	13,578	-
Total State SAMH funding	<u>4,584</u>	<u>7,800</u>	<u>64,569</u>	<u>1,531,870</u>	<u>1,531,870</u>	<u>-</u>
<b>Other Governmental Funding:</b>						
Other state agency funding	-	-	-	17,558	17,558	-
Local grants	-	92,840	-	92,840	92,840	-
Medicaid	-	68,500	-	821,414	821,414	-
Total other government funding	<u>-</u>	<u>161,340</u>	<u>-</u>	<u>931,812</u>	<u>931,812</u>	<u>-</u>
<b>All Other Revenues:</b>						
1st and 2nd party payments	-	87,416	-	317,705	317,705	-
3rd party payments (except Medicare)	-	14,060	-	46,820	46,820	-
Contributions and donations	-	29,000	-	656,000	656,000	-
Other income	-	-	-	-	-	-
Total all other revenue	<u>-</u>	<u>130,476</u>	<u>-</u>	<u>1,020,525</u>	<u>1,020,525</u>	<u>-</u>
Total funding	<u>\$ 4,584</u>	<u>\$ 299,616</u>	<u>\$ 64,569</u>	<u>\$ 3,484,207</u>	<u>\$ 3,484,207</u>	<u>\$ -</u>

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	<b>Federal Project Grant</b>	<b>Day Treatment</b>	<b>Cost Reimbursement</b>	<b>Total Adult Substance Abuse</b>	<b>Total for State Funded SAMH Covered Services</b>	<b>Total for Non-State Funded SAMH Covered Services</b>
<b>Personnel Expenses:</b>						
Salaries and wages	\$ 3,806	\$ 175,412	\$ -	\$ 1,529,777	\$ 1,529,777	\$ -
Fringe benefits	<u>727</u>	<u>33,497</u>	<u>-</u>	<u>292,127</u>	<u>292,127</u>	<u>-</u>
Total personnel expenses	<u>4,533</u>	<u>208,909</u>	<u>-</u>	<u>1,821,904</u>	<u>1,821,904</u>	<u>-</u>
<b>Other Expenses:</b>						
Building occupancy	-	27,926	51,352	274,847	274,847	-
Professional services	36	11,103	-	72,430	72,430	-
Travel	-	-	-	437	437	-
Equipment	-	-	-	-	-	-
Food services	-	21,982	-	205,052	205,052	-
Medical and pharmacy	-	-	-	392,805	392,805	-
Subcontracted Services	-	-	-	103,800	103,800	-
Insurance	-	8,896	-	78,139	78,139	-
Operating supplies and expenses	<u>87</u>	<u>27,107</u>	<u>-</u>	<u>176,828</u>	<u>176,828</u>	<u>-</u>
Total other expenses	<u>123</u>	<u>97,014</u>	<u>51,352</u>	<u>1,304,338</u>	<u>1,304,338</u>	<u>-</u>
Total personnel and other expenses	<u>4,656</u>	<u>305,923</u>	<u>51,352</u>	<u>3,126,242</u>	<u>3,126,242</u>	<u>-</u>
<b>Distributed Indirect Costs:</b>						
Administration	<u>223</u>	<u>14,657</u>	<u>2,460</u>	<u>149,778</u>	<u>149,778</u>	<u>-</u>
Total actual operating expenses	<u>4,879</u>	<u>320,580</u>	<u>53,812</u>	<u>3,276,020</u>	<u>3,276,020</u>	<u>-</u>
<b>Unallowed Costs</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total allowable operating expenses	<u>\$ 4,879</u>	<u>\$ 320,580</u>	<u>\$ 53,812</u>	<u>\$ 3,276,020</u>	<u>\$ 3,276,020</u>	<u>\$ -</u>
<b>Capital Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,370</u>	<u>\$ 11,370</u>	<u>\$ 11,370</u>	<u>\$ -</u>

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	<b>Total for All-State Funded SAMH Covered Services</b>	<b>Non-SAMH Covered Services</b>	<b>Total for All Covered and Non-SAMH Covered Services</b>	<b>Administration</b>	<b>Fundraising</b>	<b>Total Funding</b>
<b>Funding Sources and Revenues:</b>						
State SAMH Funding:						
Contract/OCA:						
MS003	\$ 1,094,411	\$ -	\$ 1,094,411	\$ -	\$ -	\$ 1,094,411
MS011	259,903	-	259,903	-	-	259,903
MS023	9,180	-	9,180	-	-	9,180
MS081	12,985	-	12,985	-	-	12,985
MS0TB	50,906	-	50,906	-	-	50,906
MSSG3	4,584	-	4,584	-	-	4,584
MSSM3	8,770	-	8,770	-	-	8,770
MSSM4	58,877	-	58,877	-	-	58,877
MSTRV	18,676	-	18,676	-	-	18,676
MSTVS	13,578	-	13,578	-	-	13,578
Total State SAMH funding	<u>1,531,870</u>	<u>-</u>	<u>1,531,870</u>	<u>-</u>	<u>-</u>	<u>1,531,870</u>
<b>Other Governmental Funding:</b>						
Other state agency funding	17,558	-	17,558	-	-	17,558
Local grants	92,840	-	92,840	-	-	92,840
Medicaid	821,414	47,287	868,701	-	-	868,701
Total other government funding	<u>931,812</u>	<u>47,287</u>	<u>979,099</u>	<u>-</u>	<u>-</u>	<u>979,099</u>
<b>All Other Revenues:</b>						
1st and 2nd party payments	317,705	93,084	410,789	-	-	410,789
3rd party payments (except Medicare)	46,820	7,421	54,241	-	-	54,241
Contributions and donations	656,000	306,261	962,261	-	-	962,261
Other income	-	3,350	3,350	-	-	3,350
Total all other revenue	<u>1,020,525</u>	<u>410,116</u>	<u>1,430,641</u>	<u>-</u>	<u>-</u>	<u>1,430,641</u>
Total funding	<u>\$ 3,484,207</u>	<u>\$ 457,403</u>	<u>\$ 3,941,610</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,941,610</u>

**Wayside House, Inc.**  
**Schedule of Program/Covered Service Actual Expenses and Revenues (continued)**  
**For the Year Ended June 30, 2022**

	<b>Total for All-State Funded SAMH Covered Services</b>	<b>Non-SAMH Covered Services</b>	<b>Total for All Covered and Non-SAMH Covered Services</b>	<b>Administration</b>	<b>Fundraising</b>	<b>Total Expenses</b>
<b>Personnel Expenses:</b>						
Salaries and wages	\$ 1,529,777	\$ 156,645	\$ 1,686,422	\$ 122,380	\$ 65,000	\$ 1,873,802
Fringe benefits	<u>292,127</u>	<u>28,365</u>	<u>320,492</u>	<u>23,258</u>	<u>12,524</u>	<u>356,274</u>
Total personnel expenses	<u>1,821,904</u>	<u>185,010</u>	<u>2,006,914</u>	<u>145,638</u>	<u>77,524</u>	<u>2,230,076</u>
<b>Other Expenses:</b>						
Building occupancy	274,847	12,153	287,000	3,455	1,861	292,316
Professional services	72,430	182,229	254,659	14,250	7,673	276,582
Travel	437	-	437	360	193	990
Equipment	-	-	-	6,594	3,550	10,144
Food services	205,052	-	205,052	-	-	205,052
Medical and pharmacy	392,805	-	392,805	-	-	392,805
Subcontracted Services	103,800	39,035	142,835	-	-	142,835
Insurance	78,139	4,803	82,942	3,123	1,681	87,746
Operating supplies and expenses	<u>176,828</u>	<u>17,407</u>	<u>194,235</u>	<u>4,314</u>	<u>50,421</u>	<u>248,970</u>
Total other expenses	<u>1,304,338</u>	<u>255,627</u>	<u>1,559,965</u>	<u>32,096</u>	<u>65,379</u>	<u>1,657,440</u>
Total personnel and other expenses	<u>3,126,242</u>	<u>440,637</u>	<u>3,566,879</u>	<u>177,734</u>	<u>142,903</u>	<u>3,887,516</u>
<b>Distributed Indirect Costs:</b>						
Administration	<u>149,778</u>	<u>21,111</u>	<u>170,889</u>	<u>(177,734)</u>	<u>6,845</u>	<u>-</u>
Total actual operating expenses	<u>3,276,020</u>	<u>461,748</u>	<u>3,737,768</u>	<u>-</u>	<u>149,748</u>	<u>3,887,516</u>
<b>Unallowed Costs</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,748</u>	<u>149,748</u>
Total allowable operating expenses	<u>\$ 3,276,020</u>	<u>\$ 461,748</u>	<u>\$ 3,737,768</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,737,768</u>
<b>Capital Expenditures</b>	<u>\$ 11,370</u>	<u>\$ 18,044</u>	<u>\$ 29,414</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,414</u>

**Wayside House, Inc.**  
**Schedule of Related Party Transaction Adjustments**  
**For the Year Ended June 30, 2022**

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Wayside House, Inc. did not have any related party transaction adjustments for the year ended June 30, 2022.

**Wayside House, Inc.**  
**Schedule of State Earnings**  
**For the Year Ended June 30, 2022**

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<b>Total Expenditures</b>	\$ 3,887,516
Less: other state and federal funds	(110,398)
Less: nonmatch SAMH funds	(1,531,870)
Less: unallowable costs per 65E-14, FAC	<u>(149,748)</u>
Total allowable expenditures	\$ <u>2,095,500</u>
<b>Maximum Available Earnings</b>	\$ <u>1,571,625</u>
<b>Amount of State Funds Requiring Match</b>	\$ <u>-</u>
<b>Amount Due to Department *</b>	\$ <u>1,571,625</u>

\* If this amount is negative, the amount due to the department up to the amount on the line listed as "amount of state funds requiring match."

**Wayside House, Inc.**  
**Schedule of Bed-Day Availability Payments**  
**For the Year Ended June 30, 2022**

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Wayside House, Inc. did not have any bed-day payments for the year ended June 30, 2022.

# INTERNAL CONTROLS AND COMPLIANCE



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  
Wayside House, Inc.

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 Wayside House, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 9, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

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

CPA's + Trusted Advisors

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

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

## **Purpose of this Report**

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
December 9, 2022

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

To the Board of Directors  
Wayside House, Inc.

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

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

We have audited Wayside House, Inc.'s (a nonprofit organization) (the "Organization") 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 the Organization's major federal programs for the year ended June 30, 2022. The Organization'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, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2022.

***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 describes in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***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 Organization'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 for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with 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 the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

Wayside House, Inc.

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.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
December 9, 2022

**Wayside House, Inc.**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2022**

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**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:

*Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ yes        X   no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes        X   none reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes        X   no

**Federal Programs**

Internal control over major federal programs:

Material weakness(es) identified?

\_\_\_\_\_ yes        X   no

Significant deficiency(ies) identified?

\_\_\_\_\_ yes        X   none reported

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

*Unmodified Opinion*

Any audit findings disclosed that are required to be  
reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ yes        X   no

Identification of major federal program:

<u>ALN</u>	<u>Federal Program(s)</u>
93.959	U.S. Department of Health and Human Services - Passed Through Southeast Florida Behavioral Health Network - Block Grants for Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish between Type A  
and Type B programs:

\$ 750,000 federal programs

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes        X   no

**SECTION II - FINANCIAL STATEMENTS FINDINGS**

None Reported.

**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None Reported.

**SECTION IV - PRIOR YEAR AUDIT FINDINGS**

None Reported.