

**Community Coordinated Care  
for Children, Inc.  
and The 4C Foundation, Inc.**

Combined Financial and Compliance Report  
December 31, 2014

## Contents

---

Independent Auditor's Report on the Financial Statements	1-2
----------------------------------------------------------	-----

---

Financial Statements	
Combined statement of financial position	3
Combined statement of activities	4
Combined statement of functional expenses	5
Combined statement of cash flows	6
Notes to combined financial statements	7-14

---

Supplementary Information	
Schedule of expenditures of federal awards and state financial assistance	15-17
Notes to schedule of expenditures of federal awards and state financial assistance	18
Combined schedule of Head Start expenses	19
Combined schedule of Early Head Start expenses	20

---

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 <i>Government Auditing Standards</i>	21-22
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------

---

Independent Auditor's Report on Compliance for Each Major Federal Program and State Financial Assistance Project; and Report on Internal Control Over Compliance	23-24
------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------

---

Schedule of findings and questioned costs - federal awards and state financial assistance projects	25-26
----------------------------------------------------------------------------------------------------	-------

---



## Independent Auditor's Report

To the Board of Directors  
Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.  
Orlando, Florida

### Report on the Financial Statements

We have audited the accompanying combined financial statements of Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc. (the Organization), which comprise the combined statement of financial position as of December 31, 2014, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc. as of December 31, 2014, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters – Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying combined schedule of Head Start expenses and combined schedule of Early Head Start expenses is presented for purposes of additional analysis and is not a required part of the combined financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and State of Florida Chapter 10.650, *Rules of the Auditor General*, is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26 2015, on our consideration of Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc.'s internal control over financial reporting and compliance.



Orlando, Florida  
June 26, 2015

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Combined Statement of Financial Position  
December 31, 2014**

---

**Assets**

Cash	\$ 2,824,737
Receivables	7,618,742
Unconditional promise to give	200,104
Prepaid expenses and other assets	919,662
Cash designated for capital expenditures	350,000
Property and equipment, net	1,203,868
Beneficial interest in assets held by others	132,178
Assets held in trust for the deferred compensation plan	139,685
<b>Total assets</b>	<b>\$ 13,388,976</b>

**Liabilities and Net Assets**

Liabilities

Accounts payable and accrued expenses	\$ 2,177,902
Due to early learning providers	4,456,683
Refundable advances	987,739
Deferred compensation payable	139,685
<b>Total liabilities</b>	<b>7,762,009</b>

Commitments and Contingencies (Notes 6 and 9)

Net Assets

Unrestricted:	
Operating	3,675,965
Net investment in property and equipment	1,203,868
Designated for capital expenditures	350,000
<b>Total unrestricted net assets</b>	<b>5,229,833</b>
Temporarily restricted	264,956
Permanently restricted	132,178
<b>Total net assets</b>	<b>5,626,967</b>
<b>Total liabilities and net assets</b>	<b>\$ 13,388,976</b>

See Notes to Combined Financial Statements.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Combined Statement of Activities  
Year Ended December 31, 2014**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Support and Revenues</b>				
Early Learning Coalition of Orange County	\$ 61,134,470	\$ -	\$ -	\$ 61,134,470
Early Learning Coalition of Osceola County	13,118,156	-	-	13,118,156
U.S. Department of Health and Human Services	6,319,425	-	-	6,319,425
State of Florida Department of Health – Food Program	6,313,804	-	-	6,313,804
Orange County Citizens' Commission for Children	1,888,917	-	-	1,888,917
Other support and revenues, and contributions	1,630,477	-	-	1,630,477
Heart of Florida United Way, Inc.	139,021	200,104	-	339,125
City of Orlando	243,445	-	-	243,445
Orange County Commission	179,359	-	-	179,359
Catholic Charities of Central Florida, Inc.	174,611	-	-	174,611
Orange County Citizens' Review Panel	118,270	-	-	118,270
City of Orlando – Parramore project	107,352	-	-	107,352
State of Florida Department of Children and Families	81,712	-	-	81,712
In-kind contributions – Head Start and Early Head Start	72,209	-	-	72,209
Investment income (loss)	724	-	(3,291)	(2,567)
Net assets released from restrictions	201,178	(201,178)	-	-
<b>Total support and revenues</b>	<b>91,723,130</b>	<b>(1,074)</b>	<b>(3,291)</b>	<b>91,718,765</b>
<b>Expenses</b>				
Program services:				
Early Care and Learning (School Readiness)	40,900,648	-	-	40,900,648
Voluntary Pre-K	34,430,216	-	-	34,430,216
Food Program	6,117,626	-	-	6,117,626
Head Start	4,094,674	-	-	4,094,674
Early Head Start	2,609,180	-	-	2,609,180
Other Program Services	1,711,649	-	-	1,711,649
<b>Total program services</b>	<b>89,863,993</b>	<b>-</b>	<b>-</b>	<b>89,863,993</b>
Supporting services:				
Management and general	1,627,160	-	-	1,627,160
Fundraising	17,083	-	-	17,083
<b>Total supporting services</b>	<b>1,644,243</b>	<b>-</b>	<b>-</b>	<b>1,644,243</b>
<b>Total expenses</b>	<b>91,508,236</b>	<b>-</b>	<b>-</b>	<b>91,508,236</b>
<b>Change in net assets</b>	<b>214,894</b>	<b>(1,074)</b>	<b>(3,291)</b>	<b>210,529</b>
<b>Net Assets</b>				
Beginning of Year	5,014,939	266,030	135,469	5,416,438
End of Year	<b>\$ 5,229,833</b>	<b>\$ 264,956</b>	<b>\$ 132,178</b>	<b>\$ 5,626,967</b>

See Notes to Combined Financial Statements.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Combined Statement of Functional Expenses  
Year Ended December 31, 2014**

	Program Services							Supporting Services			
	Early Care and Learning (School Readiness)	Voluntary Pre-K	Food Program	Head Start	Early Head Start	Other Program Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Functional Expenses
Salaries	\$ 2,464,230	\$ 487,626	\$ 414,318	\$ 2,259,411	\$ 1,087,302	\$ 1,036,722	\$ 7,749,609	\$ 896,342	\$ 2,279	\$ 898,621	\$ 8,648,230
Payroll Taxes and Employee Benefits	700,056	133,478	128,022	714,844	307,511	217,953	2,201,864	222,608	436	223,044	2,424,908
<b>Total salaries and related expenses</b>	<b>3,164,286</b>	<b>621,104</b>	<b>542,340</b>	<b>2,974,255</b>	<b>1,394,813</b>	<b>1,254,675</b>	<b>9,951,473</b>	<b>1,118,950</b>	<b>2,715</b>	<b>1,121,665</b>	<b>11,073,138</b>
Child Care Education Services and Meals	37,204,324	33,735,578	5,538,077	-	-	165,977	76,643,956	-	-	-	76,643,956
Educational Training Services and Contractual	550	-	-	69,525	834,192	22,543	926,810	5,521	-	5,521	932,331
Rent	42,892	8,961	-	227,491	130,214	75,523	485,081	8,404	-	8,404	493,485
Telephone and Utilities	112,576	15,264	3,025	164,884	48,709	50,729	395,187	50,650	-	50,650	445,837
Repairs and Maintenance	56,264	7,753	-	194,964	37,613	31,711	328,305	30,969	-	30,969	359,274
Office Expense	91,093	11,093	13,313	33,823	17,407	46,798	213,527	31,528	22	31,550	245,077
Food and Classroom Supplies	-	-	-	184,402	23,706	-	208,108	-	-	-	208,108
Professional Services	1,600	789	-	27,120	7,384	510	37,403	111,524	-	111,524	148,927
Noncapital Equipment Costs	67,344	11,225	5,037	8,557	2,497	2,616	97,276	31,129	-	31,129	128,405
Temporary Services	53,610	10,014	1,450	15,133	6,877	765	87,849	26,147	-	26,147	113,996
Insurance	4,227	578	-	6,000	4,608	576	15,989	79,878	-	79,878	95,867
Training and Technical Assistance	-	-	-	46,389	47,238	-	93,627	-	-	-	93,627
Computer Support	11,875	3,911	2,698	16,692	7,862	6,103	49,141	38,769	-	38,769	87,910
In-Kind Expenses	-	-	-	60,046	12,163	-	72,209	-	-	-	72,209
Meetings and Conferences	12,147	22	4,236	17,582	4,313	6,064	44,364	19,187	-	19,187	63,551
Depreciation	11,704	1,713	-	2,805	1,750	1,327	19,299	38,883	-	38,883	58,182
Building Security	50,638	-	-	1,766	850	234	53,488	-	-	-	53,488
Travel	4,083	579	3,963	18,621	8,582	8,366	44,194	1,690	78	1,768	45,962
Equipment Rental	7,892	1,392	3,387	1,018	286	16,565	30,540	1,100	-	1,100	31,640
Miscellaneous	-	-	-	170	86	1,843	2,099	26,077	-	26,077	28,176
Program Expense	-	-	-	5,677	5,449	15,699	26,825	-	-	-	26,825
Medical and Dental	-	-	-	4,993	9,711	-	14,704	-	-	-	14,704
Fundraising Activities	-	-	-	-	-	-	-	-	14,268	14,268	14,268
Dues and Publications	175	-	100	3,730	956	292	5,253	4,738	-	4,738	9,991
Directory/Advertising	2,980	188	-	3,455	1,175	72	7,870	1,780	-	1,780	9,650
Vehicle Expense	388	52	-	5,576	739	51	6,806	236	-	236	7,042
Educational Materials and Mini-Grants	-	-	-	-	-	2,610	2,610	-	-	-	2,610
<b>Total expenses</b>	<b>\$ 40,900,648</b>	<b>\$ 34,430,216</b>	<b>\$ 6,117,626</b>	<b>\$ 4,094,674</b>	<b>\$ 2,609,180</b>	<b>\$ 1,711,649</b>	<b>\$ 89,863,993</b>	<b>\$ 1,627,160</b>	<b>\$ 17,083</b>	<b>\$ 1,644,243</b>	<b>\$ 91,508,236</b>

See Notes to Combined Financial Statements.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Combined Statement of Cash Flows  
Year Ended December 31, 2014**

---

Cash Flows From Operating Activities	
Change in net assets	\$ 210,529
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	58,182
Net realized and unrealized gain	(2,002)
Changes in operating assets and liabilities:	
(Increase) decrease in assets:	
Receivables	(163,773)
Prepaid expenses and other assets	135,030
Beneficial interest in assets held by others	5,293
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	(32,824)
Due to early learning providers	115,368
Refundable advances	(170,553)
<b>Net cash provided by operating activities</b>	<u>155,250</u>
 Cash Flows From Investing Activities	
Purchases of property and equipment	(63,941)
<b>Net cash used in investing activities</b>	<u>(63,941)</u>
 <b>Net increase in cash</b>	91,309
Cash	
Beginning	2,733,428
Ending	<u>\$ 2,824,737</u>

See Notes to Combined Financial Statements.



**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 1. Nature of Organization, Principles of Combination and Significant Accounting Policies**

**Nature of organization:** Community Coordinated Care for Children, Inc. (4C) is a not-for-profit corporation operating in Central Florida as a coordinative agency for child care activities and other support services for families with young children.

4C's major program services are as follows:

**Early Care and Learning (School Readiness):** The Organization currently contracts with local Early Care and Learning Coalitions, local governments and not-for-profit organizations to provide income eligible families child care financial assistance and other related activities. Local government contracts, United Way allocations, private foundations and other local funders are used to meet match requirements for certain contracts.

**Voluntary Pre-K:** The Organization participates in a Florida Department of Education program designed to prepare four year olds for kindergarten and build the foundation for their educational success. The program allows a parent to enroll his or her eligible child in a free voluntary pre-kindergarten program. The Organization currently contracts with local coalitions to provide such services.

**Food Program:** Accounts for resources received from the State of Florida Department of Health to subsidize meal costs for eligible children under the National School Lunch and the Child Nutrition Acts.

**Head Start:** Accounts for resources received from the U.S. Department of Health and Human Services (HHS) and the State of Florida Department of Health (Child and Adult Care Food Program) for the Head Start Program. Certain matching funds are required by HHS which are provided by local governments and other donors.

**Early Head Start:** Accounts for resources received from the U.S. Department of Health and Human Services and the State of Florida Department of Health (Child and Adult Care Food Program) for the Early Head Start Program. Certain matching funds are required by HHS which are provided by local governments and other donors.

**Other Program Services:** Consists primarily of four programs: 1) Early Childhood Education Training Programs – accounts for resources received from the State of Florida Department of Children and Families for state mandated training services and resources for other training programs, 2) Other Child Care – accounts for resources received from the Catholic Charities of Central Florida, Inc. for refugee child care and other contracts for child care services, 3) Community Services – accounts for various community services and other family related programs, and 4) Orange County Citizens' Commission for Children – funds family support resources of thirteen neighborhood centers.

The 4C Foundation, Inc. (Foundation) is a separate not-for-profit corporation that was formed for the purpose of acquiring property and leasing to, and fund-raising for 4C.

**Principles of combination:** The accompanying financial statements include the accounts of 4C and the Foundation (collectively, the Organization) on a combined basis. All significant intercompany accounts and transactions have been eliminated in the preparation of the combined financial statements. At December 31, 2014, total net assets of 4C and the Foundation were \$2,849,860 and \$2,777,107, respectively.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 1. Nature of Organization, Principles of Combination and Significant Accounting Policies  
(Continued)**

A summary of the Organization's significant accounting policies follows:

**Basis of presentation:** The accompanying combined financial statements have been prepared on the accrual basis of accounting.

A not-for-profit organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- **Unrestricted net assets:** Net assets that are not subject to donor-imposed stipulations, but may be designated for specific purposes by action of the Board of Directors.
- **Temporarily restricted net assets:** Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When the restriction is met or expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities as net assets released from restrictions. Temporarily restricted net assets as of December 31, 2014, are composed of \$64,852 available to fund designated programs in the near future and \$200,104 of Heart of Florida United Way, Inc. funding which will be released in the next fiscal year.
- **Permanently restricted net assets:** Net assets subject to donor-imposed stipulations that they be permanently maintained by the Organization. Permanently restricted net assets were \$132,178 at December 31, 2014. These amounts consist of endowment funds that are subject to restrictions of gift instruments requiring in perpetuity that the principal be invested and the income only be used based on donor-imposed stipulations. Investment earnings distributed are recorded in unrestricted net assets.

This amount consists of contributions to the Community Foundation of Central Florida, Inc. to be held as a permanently restricted endowment fund for the benefit of the Organization (see Notes 3 and 4).

**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 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 support and revenues, and expenses during the reporting period. Actual results could differ from those estimates

**Cash:** For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity date of three months or less to be cash equivalents. The Organization did not have any cash equivalents at December 31, 2014. Cash excludes cash designated for capital expenditures.

**Receivables:** Receivables primarily consist of grant and contract receivables from federal, state and local governmental agencies, and not-for-profit organizations, and are stated at estimated net realizable value. The Organization uses the allowance method to determine uncollectible receivables. The allowance is based upon management estimates of current economic factors and analysis of specific accounts. In the opinion of management, no allowance for uncollectible accounts was considered necessary at December 31, 2014.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 1. Nature of Organization, Principles of Combination and Significant Accounting Policies  
(Continued)**

**Property and equipment:** Property and equipment are recorded at cost when purchased or at fair value at the date of gift, if contributed. Depreciation of property and equipment is computed using the straight-line method of accounting over the estimated useful lives of the depreciable assets. Routine maintenance and repair costs are charged to expense as incurred, while major replacements and improvements are capitalized as additions to the related assets. When assets are sold or retired, the related cost and accumulated depreciation are removed from the accounts and gains or losses from dispositions are credited or charged to income.

The Foundation capitalized a donated art collection which is stated at the estimated fair value of the collection at the time of the donation. The Foundation has no purchased collectibles.

**Impairment of long-lived assets:** The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate such value may not be recoverable. Recoverability of assets or asset groups to be held and used is measured by a comparison of the carrying amount of an asset or asset group to future net cash flows expected to be generated by the asset or asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or asset group. Assets or asset groups to be disposed of are reported at the lower of the carrying amount or fair value less cost to sell. No impairment of the Organization's long-lived assets or asset groups have been recognized during the year ended December 31, 2014.

**Beneficial interest in assets held by others:** The Organization follows guidance related to accounting for contributions held by an organization for the benefit of another organization which states that organizations that transfer assets to other not-for-profit agencies who specify themselves or their affiliates as the beneficiaries, and has not granted variance power, are not considered expenses and are recorded as a beneficial interest in assets held by others in the combined statement of financial position at fair value (see Note 4).

**Assets held in trust for the deferred compensation plan:** Assets held in trust for the deferred compensation plan are investments and are reported at fair value (see Note 4). These investments represent contributions to a 457(b) plan for the benefit of "key employees." See Note 8 for additional information about the terms of this plan.

**Support and revenues:** The Organization is principally funded by grants and contracts from federal, state and local governmental agencies, and not-for-profit organizations. Grants and contracts generally provide reimbursement for allowable costs incurred. Revenue from cost reimbursement grants and contracts is recognized as eligible costs are incurred. Receivables are recorded to the extent costs have been incurred but not reimbursed by the granting agencies. Conversely, refundable advances are recorded when grant and contract advances exceed eligible costs incurred. Refundable advances will either be offset against subsequent allowable costs incurred or refunded to the granting agencies upon grant termination.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 1. Nature of Organization, Principles of Combination and Significant Accounting Policies  
(Continued)**

**Contributions:** Contributions, including unconditional promises to give, are recognized as support and revenue in the period received at fair value as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions are met in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional promises to give receivables. The allowance is based upon management estimates of current economic factors and analysis of specific unconditional promises to give. In the opinion of management, no allowance for uncollectible accounts was considered necessary at December 31, 2014.

Contributed services are recognized if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution.

The estimated fair value of contributed materials, facilities, services and other program services are necessary to support the Head Start and Early Head Start program. These contributions are reflected as support and expenses in the accompanying combined statement of activities and combined statement of functional expenses in the period in which the materials, facilities, services and other program services are utilized. Contributed materials, facilities, services and other program services consist of the following:

	<u>Head Start</u>	<u>Early Head Start</u>	<u>Total</u>
Program services	\$ 60,046	\$ 12,163	\$ 72,209

**Functional expenses:** The cost of providing various programs and supporting services have been summarized on a functional basis in the combined statement of activities and in the combined statement of functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services benefited.

**Income taxes:** 4C and the Foundation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Statutes. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying combined financial statements.

The Organization follows accounting standards relating to accounting for uncertainty in income taxes. Management assessed whether there were any uncertain tax positions which may give rise to income tax liabilities and determined that there were no such matters requiring recognition in the accompanying combined financial statements. The Organization files income tax returns in the U.S. federal jurisdiction. Generally, the Organization is no longer subject to U.S. federal income tax examinations by tax authorities for years before December 31, 2011.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 1. Nature of Organization, Principles of Combination and Significant Accounting Policies  
(Continued)**

**Concentrations of credit risk:** Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, cash designated for capital expenditures, and various unsecured receivables. The Organization placed their cash and cash designated for capital expenditures with federally insured financial institutions and limit their exposure to any potential loss in excess of federally insured limits; however, at times, the Organization is exposed to loss to the extent that these balances exceed the federally insured limits. Concentrations of credit risk with respect to unsecured receivables are limited as the receivables are primarily grant and contract receivables from governmental agencies; other receivables are primarily due from entities located in Central Florida. The Early Learning Coalition of Orange County, Early Learning Coalition of Osceola County and the State of Florida Department of Health accounts for 63%, 14% and 12%, respectively, of total receivables at December 31, 2014.

**Recent accounting pronouncements:** The Financial Accounting Standards Board has issued certain new or modifications to, or interpretations of, existing accounting guidance. The Organization has considered the new un-adopted guidance and does not believe that any other new or modified guidance will have a material impact on the Organization's reported financial position or activities in the near term.

**Subsequent events:** Management has assessed subsequent events through June 26, 2015, which is the date these combined financial statements were available to be issued. All subsequent events requiring recognition as of June 26, 2015, have been incorporated into these combined financial statements.

**Note 2. Property and Equipment**

Property and equipment at December 31, 2014, consisted of the following:

Land	\$ 720,000
Buildings and improvements	1,754,494
Equipment, vehicles and other	1,078,137
Donated art collection	178,055
	<hr/>
	3,730,686
Less accumulated depreciation	(2,526,818)
	<hr/>
	<u>\$ 1,203,868</u>

During the year ended December 31, 2014, depreciation expense was \$58,182.

**Note 3. Beneficial Interest in Assets Held by Others**

The Organization has a beneficial interest in assets held by the Community Foundation of Central Florida, Inc. (the Community Foundation) in a permanent Agency Endowment Fund known as the "Caring for Kids Fund." The Community Foundation was granted no variance power to redirect the use of the assets to another beneficiary. On an annual basis, the Community Foundation distributes a percentage of the principal balance from this fund to the Organization as determined by the Community Foundation's spending policy. As of December 31, 2014, the endowment fund has a fair value of \$132,178, which is included in the accompanying combined statement of financial position as beneficial interest in assets held by others.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

**Note 4. Fair Value Measurements**

The Organization follows accounting standards relating to fair value measurements which defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States of America, and expand disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The accounting standards relating to fair value measurements establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. Level inputs, as defined by this guidance, are as follows:

- Level 1 Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date.
- Level 3 Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The following table summarizes fair value measurements by level at December 31, 2014, for financial assets measured at fair value on a recurring basis:

	Fair Value Measurements Using				Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)		
Assets					
Assets held in trust for the deferred compensation plan (investments):					
Pooled separate accounts with Principal Life Insurance Co.	\$ -	\$ 139,685	\$ -	\$ 139,685	
Beneficial interest in assets held by others	-	-	132,178	132,178	
	<u>\$ -</u>	<u>\$ 139,685</u>	<u>\$ 132,178</u>	<u>\$ 271,863</u>	

The fair value of the Organization's beneficial interest in assets held by others is determined based on the Organization's allocated share of the Community Foundation's investment pool. Information is provided to the Organization by Community Foundation management in the form of an annual investment report and through the Community Foundation's annual audit. The pooled investments at the Community Foundation primarily consist of Level 1 and Level 2 securities.

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 4. Fair Value Measurements (Continued)**

The table below sets forth a summary of the changes in the fair value of the Organization's Level 3 financial assets during the year ended December 31, 2014:

	<b>Beneficial Interest in Assets Held by Others</b>
Balance, beginning of year	\$ 135,469
Net realized and unrealized gain	2,002
Interest and dividend income	1,157
Investment manager and administrative fees, and distributions	(6,450)
Balance, end of year	<u>\$ 132,178</u>

The Organization's investments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment account balance.

**Note 5. Line of Credit**

The Organization has a \$2,000,000 revolving line of credit agreement with a Bank. The revolving line of credit bears interest at a variable interest rate based on the one-month London InterBank Offered Rate (LIBOR) interest rate plus 3.5% (3.65% at December 31, 2014), payable monthly, and is collateralized by receivables. The line of credit is payable on demand and matures on November 3, 2015. The line of credit is used primarily for the payment of funds due to early learning providers pending outstanding receivable payments. At December 31, 2014, there was no outstanding balance on the line of credit.

**Note 6. Commitments**

The Organization leases facilities under various operating lease agreements. These lease agreements are generally on a year-to-year basis with options to renew. Rent expense was approximately \$493,500 for the year ended December 31, 2014.

Future minimum lease payments under noncancelable operating leases as of December 31, 2014, are as follows:

Year Ending December 31,	
2015	\$ 498,172
2016	158,812
2017	158,055
2018	105,615
2019	101,707
	<u>\$ 1,022,361</u>

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Combined Financial Statements**

---

**Note 7. Retirement Plan**

All employees are eligible to participate in a defined contribution 401(k) plan (the 401(k) Plan) upon completion of 12 consecutive months of the required service and attainment of age 21. The annual contribution to the 401(k) Plan is determined on an annual basis by the Board of Directors (5% of eligible compensation for 2014) plus a match provision of 25% of voluntary contributions by the eligible employee up to a maximum of 1% of eligible compensation. Accordingly, the Organization's maximum contribution is 6% of eligible compensation up to the federal limit according to the Internal Revenue Code. Contributions to the 401(k) Plan for the year ended December 31, 2014, was \$398,806 and are included in payroll taxes and employee benefits in the accompanying combined statement of functional expenses.

**Note 8. Deferred Compensation Plan**

The Organization has established a deferred compensation plan (the Plan) for the benefit of "key employees", which provide that a certain percentage of the key employee's salary be accrued for the benefit of the participant. The Organization recognizes the related expense and liability under this Plan as benefits become vested. At December 31, 2014, the amounts due under the deferred compensation plan which totaled \$139,685, were accrued and included in deferred compensation payable and the related investments are included in assets held in trust for the deferred compensation plan in the accompanying combined statement of financial position. Contributions to the Plan for the year ended December 31, 2014, was \$10,635 and are included in payroll taxes and employee benefits in the accompanying combined statement of functional expenses.

**Note 9. Contingencies**

By terms of the Organization's grants and contracts, certain funding agencies reserve the right to examine records relating to cost reimbursements. In the event there is a determination of non-qualifying expenditures for which a reimbursement has been made, the funding agency may demand a refund. Management of the Organization does not anticipate any material refunds will have to be made for grants or contracts terminated or in process as of December 31, 2014. Accordingly, no provision for liability has been made in the accompanying combined financial statements.



**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended December 31, 2014**

<u>Grantor/Pass-Through/Program Title</u>	<u>Federal CFDA Number</u>	<u>Contract/ Grant Number</u>	<u>Federal Expenditures</u>
<b>Federal Awards</b>			
U.S. Department of Agriculture:			
Passed-through the State of Florida Department of Health:			
Child and Adult Care Food Program – Centers	10.558	U51	\$ 5,447,995
Child and Adult Care Food Program – Homes	10.558	D702	450,614
Child and Adult Care Food Program – Head Start	10.558	S3	415,195
<b>Total U.S. Department of Agriculture</b>			<u>6,313,804</u>
U.S. Department of Housing and Urban Development:			
Passed-through Orange County, Florida:			
Community Development Block Grants	14.218	93-34	<u>179,359</u>
U.S. Department of Health and Human Services:			
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Orange County:			
Temporary Assistance for Needy Families	93.558	1217-13/14	5,066,951
Temporary Assistance for Needy Families	93.558	1217-14/15	4,885,835
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Osceola County:			
Temporary Assistance for Needy Families	93.558	CA-13/14	918,149
Temporary Assistance for Needy Families	93.558	CA-14/15	821,405
<b>Program Total</b>			<u>11,692,340</u>
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Orange County:			
Child Care and Development Block Grant	93.575	1217-13/14	6,368,696
Child Care and Development Block Grant	93.575	1217-14/15	6,175,589
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Osceola County:			
Child Care and Development Block Grant	93.575	CA-13/14	1,154,030
Child Care and Development Block Grant	93.575	CA-14/15	1,038,239
Passed-through the State of Florida Department of Children and Families:			
Child Care and Development Block Grant	93.575	LC905	81,712
			<u>14,818,266</u>

(Continued)

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)  
Year Ended December 31, 2014**

<b>Grantor/Pass-Through/Program Title</b>	<b>Federal CFDA Number</b>	<b>Contract/ Grant Number</b>	<b>Federal Expenditures</b>
<b>Federal Awards (Continued)</b>			
U.S. Department of Health and Human Services (Continued):			
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Orange County:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	1217-13/14	\$ 5,836,243
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	1217-14/15	5,480,214
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Osceola County:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CA-13/14	1,057,548
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	CA-14/15	921,332
			<u>13,295,337</u>
			<u>28,113,603</u>
<b>Program Total (Child Care and Development Fund Cluster)</b>			
Direct Program:			
Head Start and Early Head Start	93.600	04CH0288/26	3,264,568
Head Start and Early Head Start	93.600	04CH4732/01	3,054,857
			<u>6,319,425</u>
Passed-through the Catholic Charities of Central Florida, Inc.:			
Refugee and Entrant Assistance – State Administered Programs	93.566	4C2014	<u>174,611</u>
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Orange County:			
Social Services Block Grant	93.667	1217-13/14	15,559
Social Services Block Grant	93.667	1217-14/15	14,901
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Osceola County:			
Social Services Block Grant	93.667	CA-13/14	2,819
Social Services Block Grant	93.667	CA-14/15	2,505
			<u>35,784</u>
<b>Program Total</b>			
<b>Total U.S. Department of Health and Human Services</b>			<u>46,335,763</u>
<b>Total Expenditures of Federal Awards</b>			<u>52,828,926</u>

(Continued)

Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.

Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)  
Year Ended December 31, 2014

<u>Grantor/Pass-Through/Program Title</u>	<u>State CSFA Number</u>	<u>Contract/ Grant Number</u>	<u>State Expenditures</u>
<b>State Financial Assistance</b>			
Florida Department of Education and Commissioner of Education:			
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Orange County:			
Voluntary Pre-Kindergarten Education Program	48.108	1217-13/14	\$ 14,812,344
Voluntary Pre-Kindergarten Education Program	48.108	1217-14/15	12,478,138
Passed-through the Florida Office of Early Learning and the Early Learning Coalition of Osceola County:			
Voluntary Pre-Kindergarten Education Program	48.108	CA-13/14	3,956,638
Voluntary Pre-Kindergarten Education Program	48.108	CA-14/15	3,245,491
<b>Program Total</b>			<u>34,492,611</u>
<b>Total Expenditures of State Financial Assistance</b>			<u>34,492,611</u>
<b>Total Expenditures of Federal Awards and     State Financial Assistance</b>			<u><u>\$ 87,321,537</u></u>

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

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended December 31, 2014**

---

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal grant and state financial assistance project activity of the Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc. (the Organization) under programs of the federal government and the State of Florida for the year ended December 31, 2014. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State of Florida Chapter 10.650, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

**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 OMB Circular A-122, *Cost Principles for Non-Profit Organizations* and cost principles established by the State of Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers (contract or grant number) are presented where available.

**Note 3. Contract Matching Contributions**

The Organization has received support from government agencies, under grant contracts, which have match requirements. Management of the Organization has determined that the Organization has met the match requirement or received a waiver from the match requirement of their grant contracts as of December 31, 2014.

Volunteer services of \$393,387 and \$446,340 were provided to the Head Start and Early Head Start program, respectively, and are used to satisfy match requirements but are not included in the combined financial statements because they do not meet the criteria for recognition.







**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***

**Independent Auditor's Report**

To the Board of Directors  
Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.  
Orlando, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the combined financial statements of Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc. (the Organization), which comprise the combined statement of financial position as of December 31, 2014, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated June 26, 2015.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's combined 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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.

The image shows a handwritten signature in cursive script that reads "McGladrey LLP". The signature is written in black ink and is positioned above the typed text of the firm's name and location.

Orlando, Florida  
June 26, 2015





**Report on Compliance for Each Major Federal Program and State Financial Assistance Project; and Report on Internal Control Over Compliance**

**Independent Auditor's Report**

To the Board of Directors  
Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.  
Orlando, Florida

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

We have audited Community Coordinated Care for Children, Inc. and The 4C Foundation, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of the Organization's major federal programs and state financial assistance projects for the year ended December 31, 2014. The Organization's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state financial assistance projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State of Florida Chapter 10.650, *Rules of the Auditor General*. Those standards, OMB Circular A-133, and the State of Florida Chapter 10.650, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination on the Organization's compliance.

**Opinion on Each Major Federal Program and State Financial Assistance Project**

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 each of its major federal programs and state financial assistance projects for the year ended December 31, 2014.

## **Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State of Florida Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the State of Florida Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

*McGladrey LLP*

Orlando, Florida  
June 26, 2015

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Schedule of Findings and Questioned Costs - Federal Awards and  
State Financial Assistance Projects  
Year Ended December 31, 2014**

---

**I - Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No	
Significant deficiency(ies) identified?	_____ Yes	<u>  X  </u> None Reported	
Noncompliance material to financial statements noted?	_____ Yes	<u>  X  </u> No	

***Federal Awards***

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	<u>  X  </u> No	
Significant deficiency(ies) identified?	_____ Yes	<u>  X  </u> None Reported	

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?

	_____ Yes	<u>  X  </u> No	
--	-----------	-----------------	--

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start and Early Head Start
93.575, 93.596	Child Care and Development Fund Cluster

Dollar threshold used to distinguish between type A and type B federal programs:   \$  1,584,868  

Auditee qualified as low-risk auditee?   X   Yes        No

(Continued)

**Community Coordinated Care for Children, Inc.  
and The 4C Foundation, Inc.**

**Schedule of Findings and Questioned Costs - Federal Awards and  
State Financial Assistance Projects  
Year Ended December 31, 2014**

---

**I - Summary of Auditor's Results (Continued)**

**State Financial Assistance**

Internal control over major programs:

Material weakness(es) identified?	<u>          </u> Yes	<u>  X  </u> No
Significant deficiency(ies) identified?	<u>          </u> Yes	<u>  X  </u> None Reported

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

Unmodified

Any audit findings disclosed that are required  
to be reported in accordance with Section  
10.654(1)(h)(1)(f), *Rules of the Auditor General*?

<u>          </u> Yes	<u>  X  </u> No
-----------------------	-----------------

Identification of major programs:

CSFA Number(s)  
48.108

Name of State Financial Assistance Project  
Voluntary Pre-Kindergarten Education Program

Dollar threshold used to distinguish between type  
A and type B state financial assistance projects:

\$ 1,034,778

**II. Financial Statement Findings**

No matters were reported.

**III. Findings and Questioned Costs for Federal Awards and State Financial Assistance**

No matters were reported.

**IV. Other Reporting**

1. No Summary Schedule of Prior Audit Findings is presented because there were no prior audit findings related to federal awards and state financial assistance projects.
2. No Corrective Action Plan is presented because there were no findings required to be reported under the Federal Single Audit Act or the Florida Single Audit Act.
3. There was no management letter or control deficiency letter issued for the year ended December 31, 2014 and there were no matters required to be reported in these letters.