

**Foster Care Review, Inc.  
D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Financial Statements  
and  
Independent Auditors' Report  
June 30, 2017**

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PragerMetis

## Independent Auditors' Report

To the Board of Directors of  
Foster Care Review, Inc. D/B/A Florida Foster Care Review  
Miami, FL

*Prager Metis CPAs, LLC*

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### Report on the Financial Statements

We have audited the accompanying financial statements of Foster Care Review, Inc. D/B/A Florida Foster Care Review (a not-for-profit organization), hereafter referred to as the Organization, which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility 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; this includes 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.



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NEW YORK NEW JERSEY MIAMI LOS ANGELES LONDON INDIA



To the Board of Directors of  
Foster Care Review, Inc. D/B/A Florida Foster Care Review

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 financial statements referred to on page 1 present fairly, in all material respects, the financial position of Foster Care Review, Inc. D/B/A Florida Foster Care Review as of June 30, 2017 and 2016, 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.

**Other Matters**

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of financial assistance is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Report on Summarized Comparative Information***

We have previously audited Foster Care Review, Inc. D/B/A Florida Foster Care Review's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 15, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2017 our consideration of Foster Care Review, Inc. D/B/A Florida Foster Care Review's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Foster Care Review, Inc. D/B/A Florida Foster Care Review's internal control over financial reporting and compliance.

***Prager Metis CPAs, LLC***

Coral Gables, FL  
August 22, 2017

# FINANCIAL STATEMENTS

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**Foster Care Review, Inc. D/B/A Florida Foster Care Review**  
**(Not-For-Profit Organization)**  
**Statements of Financial Position**  
**June 30, 2017**  
**(With comparative totals for 2016)**

<u>ASSETS</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Combined Totals</u>	
			<u>2017</u>	<u>2016</u>
<b>Current assets</b>				
Cash and cash equivalents	\$ 278,060	\$ 50,000	\$ 328,060	\$ 229,982
Grants and other receivables	67,481		67,481	188,930
Prepaid expenses	3,317		3,317	10,316
<b>Total current assets</b>	<u>348,858</u>	<u>50,000</u>	<u>398,858</u>	<u>429,228</u>
<b>Property and equipment</b>	29,895		29,895	50,591
<b>Other assets</b>				
Cash set aside for long-term savings purposes	300,000		300,000	300,000
	<u>\$ 678,753</u>	<u>\$ 50,000</u>	<u>\$ 728,753</u>	<u>\$ 779,819</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>  				
<b>Current liabilities</b>				
Accounts payable and accrued expenses	\$ 43,750		\$ 43,750	\$ 58,158
<b>Net assets</b>				
Other net assets	335,003	\$ 50,000	385,003	421,661
Board designated	300,000		300,000	300,000
<b>Total net assets</b>	<u>635,003</u>	<u>50,000</u>	<u>685,003</u>	<u>721,661</u>
	<u>\$ 678,753</u>	<u>\$ 50,000</u>	<u>\$ 728,753</u>	<u>\$ 779,819</u>

Attention is directed to independent auditors' report and notes to financial statements.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review**  
**(Not-for-Profit Organization)**  
**Statements of Activities**  
**For the Year Ended June 30, 2017**  
**(With comparative totals for 2016)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2017</u>	<u>2016</u>
<b>Public support</b>				
Grants - Federal and State	\$ 849,990		\$ 849,990	\$ 842,160
- Local	61,674		61,674	225,000
Private grants	23,000	\$ 50,000	73,000	169,060
Endowment fund (Note H)	36,848		36,848	35,749
United Way	55,250		55,250	55,250
United Way - donor options	5,876		5,876	10,206
Special Events (net of direct costs of \$36,122)	101,780		101,780	87,285
Contributions	40,625		40,625	27,661
Interest and miscellaneous	1,930		1,930	8,149
In-kind services	324,559		324,559	298,883
Net assets released from restrictions	50,000	(50,000)		
	<u>1,551,532</u>		<u>1,551,532</u>	<u>1,759,403</u>
<b>Functional expenses</b>				
Program services	1,437,301		1,437,301	1,500,989
General and support services	96,491		96,491	129,613
Fundraising	54,398		54,398	7,799
	<u>1,588,190</u>		<u>1,588,190</u>	<u>1,638,401</u>
<b>Net changes in net assets</b>	(36,658)		(36,658)	121,002
Net assets - beginning of year	671,661	50,000	721,661	600,659
<b>Net assets - end of year</b>	<u>\$ 635,003</u>	<u>\$ 50,000</u>	<u>\$ 685,003</u>	<u>\$ 721,661</u>

Attention is directed to independent auditors' report and notes to financial statements.

Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-for-Profit Organization)  
**Statements of Functional Expenses**  
**For the Year Ended June 30, 2017**  
**(With comparative totals for 2016)**

	Program Expenses			Supporting Services		Combined Total	
	Citizen Review Panel	Permanency Round Table	Total Program Expenses	Fundraising	General and Support Services	2017	2016*
Personnel costs							
Salaries	\$ 615,248	\$ 98,381	\$ 713,629	\$ 40,077	\$ 24,742	\$ 778,448	\$ 777,104
Payroll taxes and fringe benefits	144,937	17,434	162,371	5,272	3,232	170,875	166,054
Total personnel costs	760,185	115,815	876,000	45,349	27,974	949,323	943,158
Other expenses							
Professional services	105,539	11,181	116,720	8,168	37,399	162,287	178,346
Advertising	6,329		6,329		9,205	15,534	13,638
Travel & conferences	2,554	2,686	5,240	524	2,227	7,991	4,870
Insurance	12,567	370	12,937		159	13,096	11,227
Licenses and fees	789		789	150	2,955	3,894	4,196
IT & other expenses	43,311	1,254	44,565		889	45,454	53,733
Occupancy costs	8,039	869	8,908		219	9,127	85,131
Telephone	23,840	788	24,628	207	1,211	26,046	19,901
Depreciation	20,696		20,696			20,696	20,696
Volunteer expenses	6,026		6,026			6,026	4,622
In-kind services and other	314,463		314,463		14,253	328,716	298,883
Total functional expenses	\$ 1,304,338	\$ 132,963	\$ 1,437,301	\$ 54,398	\$ 96,491	\$ 1,588,190	\$ 1,638,401

\* Certain amounts have been reclassified for comparative purposes

Attention is directed to independent auditors' report and notes to financial statements.

Foster Care Review, Inc. D/B/A Florida Foster Care Review  
 (Not-for-Profit Organization)  
 Statements of Functional Expenses  
 For the Year Ended June 30, 2016

	Program Expenses			Supporting Services		Total 2016
	Citizen Review Panel	Permanency Round Table	Total Program Expenses	Fundraising	General and Support Services	
Personnel costs						
Salaries	\$ 697,199	\$ 60,385	\$ 757,584	\$ 3,903	\$ 15,617	\$ 777,104
Payroll taxes and fringe benefits	145,691	11,509	157,200	1,771	7,083	166,054
Total personnel costs	842,890	71,894	914,784	5,674	22,700	943,158
Other expenses						
Professional services	115,119		115,119	2,125	61,102	178,346
Advertising	3,190		3,190		10,448	13,638
Conference and staff training	1,612	1,817	3,429		1,187	4,616
Insurance	9,884		9,884		1,343	11,227
Licenses and fees					4,196	4,196
Other expenses	50,858	841	51,699		2,034	53,733
Occupancy costs	80,616	2,130	82,746		2,385	85,131
Telephone	16,586		16,586		3,315	19,901
Travel	2	45	47		207	254
Depreciation					20,696	20,696
Volunteer expenses	4,622		4,622			4,622
In-kind services and other	298,883		298,883			298,883
Total functional expenses	\$ 1,424,262	\$ 76,727	\$ 1,500,989	\$ 7,799	\$ 129,613	\$ 1,638,401

Attention is directed to independent auditors' report and notes to financial statements.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review**  
**(Not-for-Profit Organization)**  
**Statements of Cash Flows**  
**For the Year Ended June 30, 2017**  
**(With comparative totals for 2016)**

	Unrestricted	Temporarily Restricted	Combined Totals	
			2017	2016
<b>Cash flows from operating activities</b>				
Cash received from grants and revenues	\$ 1,298,422	\$ 50,000	\$ 1,348,422	\$ 1,506,288
Cash paid to suppliers and employees	(1,250,344)		(1,250,344)	(1,290,163)
<b>Net provided by operating activities</b>	<u>48,078</u>	<u>50,000</u>	<u>98,078</u>	<u>216,125</u>
<b>Cash flows used in investing activities</b>				
Purchase of property and equipment				(25,447)
<b>Net increase in cash and cash equivalents</b>	48,078	50,000	98,078	190,678
<b>Cash and cash equivalents - beginning of year</b>	229,982		229,982	39,304
<b>Cash and cash equivalents - end of year</b>	<u>\$ 278,060</u>	<u>\$ 50,000</u>	<u>\$ 328,060</u>	<u>\$ 229,982</u>
<b>The net change in net assets may be reconciled to net cash provided by operating activities as follows:</b>				
Change in net assets	\$ (86,658)	\$ 50,000	\$ (36,658)	\$ 121,002
Add items which do not affect cash:				
Depreciation	20,696		20,696	20,696
Add or (deduct) changes in operating assets and liabilities:				
Deferred revenue				(24,000)
Grant and other receivables	121,449		121,449	45,768
Prepaid expenses	6,999		6,999	(8,137)
Other asset				14,748
Accounts payable and accrued expenses	(14,408)		(14,408)	46,048
<b>Net cash provided by operating activities</b>	<u>\$ 48,078</u>	<u>\$ 50,000</u>	<u>\$ 98,078</u>	<u>\$ 216,125</u>

Attention is directed to independent auditors' report and notes to financial statements.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Notes to Financial Statements**

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**NOTE A – Organization and Purpose**

Foster Care Review, Inc. (the Organization) was incorporated in the state of Florida in 1989 as a not-for-profit organization. The Organization promotes the safety, well-being, and long-term success of abused and neglected children through volunteer-driven case reviews and system-level advocacy. The Organization's core program, the Citizen Review Panel Program, employs trained volunteers who conduct statutorily required case reviews of children involved with Miami's juvenile dependency (child welfare) court. In July 2014 the Organization began the Permanency Roundtable Program, a program based on a national model focused on strategically seeking and linking foster children and youth with adoptive or otherwise permanent families.

**NOTE B – Summary of Significant Accounting Policies**

The significant accounting policies described below have been identified as those which impact the reader's understanding of the Organization's basis of financial statement presentation and those that require significant estimates and judgment on the part of management.

1. **Basis of Financial Statements Presentation and Significant Estimates**

**Reporting Requirements**

The accounts of the Organization are maintained on the accrual basis of accounting. In addition, the Organization is required to report information regarding its financial position and activities according to the following three classes of net assets:

<b>Unrestricted</b>	Unrestricted group reflects the Organization's unrestricted activities that are not subject to donor-imposed stipulations.
<b>Temporarily Restricted</b>	Temporarily restricted group reflects the Organization's activities and resulting net assets from donors' restricted contributions that the Organization feels will be met, either by the passage of time or by actions of the Organization such as the contribution associated with those received from the Batchelor Foundation.
<b>Permanently Restricted</b>	Permanently restricted group reflects the Organization's activities and resulting net assets from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organizations. The Organization has no permanently restricted net assets.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Notes to Financial Statements**

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**NOTE B – Summary of Significant Accounting Policies (continued)**

**1. Basis of Financial Statements Presentation and Significant Estimates (continued)**

In this connection, all donor-restricted support will be reported as an increase in temporarily restricted or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets will be classified to unrestricted net assets. Therefore, support that is restricted by the donor will be reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Estimates

In preparing the financial statements of the Organization, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the statement of financial position date, and the revenues and expenses for the period then ended. Actual results could differ from those estimates. A description of some of the estimates used in the preparation of the financial statements is included in the following significant accounting policies.

**Other Significant Accounting Policies**

**2. Cash and Cash Equivalents**

The Organization considers all highly liquid investments with maturities of three months or less to be cash equivalents.

**3. Grant Receivable**

The Organization considers the grant receivable to be collectible; accordingly, no allowance for doubtful accounts is required. When amounts are determined to be uncollectible, they are charged to operations.

**4. Property and Equipment**

Property and equipment is recorded at cost when purchased or constructed, or at market value when donated. The Organization capitalizes all expenditures in excess of \$1,000 for property and equipment at cost. Donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Depreciation is included in the statement of activities and is computed on the straight-line basis over the estimated useful life of the assets.

Long-lived assets are reviewed for impairment when circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying value is impaired, the long lived assets will be written down to their fair market value with a corresponding charge to earnings. No such impairment was recorded for the years ended June 30, 2017 and 2016.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Notes to Financial Statements**

**NOTE B – Summary of Significant Accounting Policies (continued)**

**Other Significant Accounting Policies (continued)**

**5. Donated Space and Services**

Donated space and services are reflected in the accompanying statement of activities at their fair value. Donated space absent donor restrictions are recorded as unrestricted. Donated services are reflected provided that they create or enhance non-financial assets or require specialized skills and would typically be purchased if not provided by donation as required for recognition under general accepted accounting principles (see Note G).

**6. Income Taxes**

The Organization is organized as a not-for-profit entity and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Unrelated business income, of which the Organization had none for the years ended June 30, 2017 and 2016, would be subject to federal income taxes. The Organization's information returns filed with the Internal Revenue Service have not been examined in the past. The Organization is not aware of any uncertainties that could jeopardize its not-for-profit status. Therefore, no provision or liability for income taxes is deemed necessary.

The Organization follows the provisions of uncertain tax provisions addressed by FAS ASC 740-10 *Accounting For Uncertainty in Income Taxes*. The Organization has no uncertain tax positions at June 30, 2017, for which the ultimate deductibility is highly certain but for which there are uncertainty about the timing of such deductibility. The Organization recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expense. The Organization has determined that no amount required to be accrued for taxes or related penalties and interest for any tax position taken through June 30, 2017.

**7. Subsequent Events**

Subsequent events have been evaluated through August 22, 2017, which is the date the financial statements were available to be issued.

**NOTE C – Property and Equipment**

Property and equipment consist of the following:

	June 30,		Useful Lives (Years)
	2017	2016	
Furniture and fixtures	\$ 151,487	\$ 151,487	5
Computer equipment and software	196,400	196,400	3 to 5
Leasehold improvements	14,215	14,215	5
	<u>362,102</u>	<u>362,102</u>	
Less accumulated depreciation	332,207	311,511	
	<u>\$ 29,895</u>	<u>\$ 50,591</u>	

**Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Notes to Financial Statements**

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**NOTE C – Property and Equipment (continued)**

Depreciation expense for the years ending June 30, 2017 and 2016 totaled \$20,696 for each year.

**NOTE D – Commitments**

Commitments

In April 2016 the Organization relocated its facilities and receive donated space at this new location. Rental expense for the years ended June 30, 2017 and 2016 amounted to \$70,725 and \$82,444, inclusive of approximately \$54,000 and \$18,000 of donated space, respectively.

The Organization is obligated under a new equipment lease which expires in March 2021. The minimum rental commitment under this operating lease approximates the following:

For the Year Ending June 30,		
2018	\$	7,100
2019		7,100
2020		7,100
2021		7,100
2022		5,900
Total	\$	<u>34,300</u>

Contingencies

Expenses reflected in the accompanying financial statements relating to government programs are subject to audit by the respective grantor. The possible disallowance by the related Organization of any item charged to the program cannot be determined at this time. No provision for any liability that may result has been made to the financial statements. Management is of the opinion that no material liability will result from such audits.

Credit Risk

At times during the year, the Organization's cash balances were in excess of the federal insured limits of \$250,000. At June 30, 2017 and 2016, the Organization's uninsured cash balances approximated \$134,000 and \$29,000, respectively. However, the Organization maintains its cash with a high quality financial institution which the Organization believes limits these risks.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Notes to Financial Statements**

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**NOTE E – Employees’ 403(b) Plan**

The Organization has a 403(b) Thrift Plan. This plan is a voluntary retirement savings program eligible to all full-time employees. Such plan provides for the Organization to match up to 3% of the employee’s annual salary providing that the employee is eligible for the plan benefits. The Organization contributed \$20,427 and \$18,760 for the years ended June 30, 2017 and 2016, respectively.

**NOTE F – Business and Credit Concentration**

The Organization’s services are substantially paid for by government grants. For the years ended June 30, 2017 and 2016, the Organization’s revenues derived from federal, state and local grants approximate 74% and 73% of total revenues and contributions, net of donated services, for each respective year.

The Organization successfully completed the final year of a three-year contract with the Department of Children and Families (DCF). This contract was originally a five-year contract; however, DCF elected to terminate the contract early due to funding issues. Documentation confirms that the termination was not due to any concerns with the Organization’s compliance with the contract terms or performance of required deliverables. In fact, the Organization has consistently exceeded expectations on each of the many required performance measures. The Organization has successfully executed a plan to increase private foundation support and individual and corporate donations while also managing costs. Further, DCF leadership in the Southern Region (Miami-Dade and Monroe County) remains positive about the possibility of entering into a new contract with the Organization should additional resources become available.

**NOTE G – In-Kind Services and Other**

The majority of in-kind services reflected as direct program costs in the accompanying Statement of Functional Expenses include the fair market value of volunteer hours for services required in order to operate the Citizen Review Panel. Such services are similar to those provided by Circuit Court General Masters whose average hourly pay rate approximates \$74. The value of these donated services for the years ended June 30, 2017 and 2016 amounted to \$266,738 and \$265,632, respectively.

The Organization also received contributed professional services during the years ended June 30, 2017 and 2016, with a fair value on the dates of donation of approximately \$3,700 and \$3,000, respectively. In 2016, the Organization also recognized approximately \$12,000 for a donation of clothes which were auctioned at a fundraising event, which approximates the fair market value at the dates of donation.

**Foster Care Review, Inc. D/B/A Florida Foster Care Review  
(Not-For-Profit Organization)  
Notes to Financial Statements**

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**NOTE H – Endowment Fund**

The Organization has been named the beneficiary of an endowment fund held by North Dade Medical Foundation, Inc. Funds from this endowment are to be disbursed to the Organization at a minimum of 5% of the market value of the fund. Such funds are to be used for the general support of the Organization's programs.

## SUPPLEMENTARY INFORMATION

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**Foster Care Review, Inc. D/B/A Florida Foster Care Review**  
**(Not-for-Profit Organization)**  
**Schedule I**  
**Schedule of Financial Assistance**  
**For the Year Ended June 30, 2017**

Federal/State/Local Agency Pass-through Entity Federal Program/State/Local Project	CFDA/ CSFA Number	Contract Grant Number	Expenditures
<b>FEDERAL AGENCY</b>			
<b><u>U.S. Department of Health and Human Services</u></b>			
<i>Passed through State of Florida Department of Children and Families</i>			
Foster Care - Citizens Review Panel	93.658	KJ121	\$ 220,667
<b>STATE AGENCY</b>			
<b><u>State of Florida Justice Administrative Commission</u></b>			
Foster Care Citizen Review Board	21.003	JACF5	629,323
<b>LOCAL AGENCIES</b>			
<b><u>Miami-Dade County</u></b>			
Citizen Review Program			25,200
<b><u>The Children's Trust</u></b>			
Permanent Connections Roundtable Program			36,474
<b>TOTAL EXPENDITURES OF FINANCIAL ASSISTANCE</b>			<b><u>\$ 911,664</u></b>

Attention is directed to independent auditors' report.





**Independent Auditors' Report on Internal Control  
Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

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To the Board of Directors of  
Foster Care Review, Inc. D/B/A Florida Foster Care Review  
Miami, FL

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Foster Care Review, Inc. (a not-for-profit organization) (the Organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 22, 2017.

**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) to determine the 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 may exist that have not been identified.



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To the Board of Directors of  
Foster Care Review, Inc. D/B/A Florida Foster Care Review

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 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.

*Praeger Mettis CPAs, LLC*

Coral Gables, FL  
August 22, 2017