TENNESSEE VOICES FOR CHILDREN, INC.

NASHVILLE, TENNESSEE

FINANCIAL STATEMENTS,
ADDITIONAL INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS

JUNE 30, 2018 AND 2017

TENNESSEE VOICES FOR CHILDREN, INC.

NASHVILLE, TENNESSEE

FINANCIAL STATEMENTS, ADDITIONAL INFORMATION AND INDEPENDENT AUDITOR'S REPORTS

JUNE 30, 2018 AND 2017

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TENNESSEE VOICES FOR CHILDREN, INC.

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2018

BOARD OF DIRECTORS

President: Molly Rollins
President Elect: Patrick Simms
Treasurer: Devika Kumar
Secretary: Vince Foster
Bama Wood
Rhonda Ashley-Dixon
Kristin Brownlee
Andrew Buckwalter
Laura Fair
Krischan Krayer
Dennis Greeno
Bill Kirby
Chad Poff

KraftCPAs PLLC

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tennessee Voices for Children, Inc.
Nashville, Tennessee

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Tennessee Voices for Children, Inc. which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, cash flows and functional expenses 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

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

KraftCPAs PLLC • Certified Public Accountants and Consultants
555 Great Circle Road • Nashville, TN 37228 • phone: 615-242-7351 • fax: 615-782-4271 • kraftcpas.com

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tennessee Voices for Children, Inc. as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of expenditures of state awards, as required by the State of Tennessee Audit Manual, is also presented for 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 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.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2018 on our consideration of Tennessee Voices for Children, Inc.'s internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Tennessee Voices for Children's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tennessee Voices for Children, Inc.'s internal control over financial reporting and compliance.

KraftCPAs PLLC

Nashville, Tennessee
December 20, 2018

TENNESSEE VOICES FOR CHILDREN, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2018 AND 2017

	2018	2017
ASSETS		
Cash	$ 398,889	$ 339,274
Investments	2,672,892	2,886,491
Grants receivable	399,452	257,152
Contributions receivable	-	65,000
Other receivables	12,094	9,687
Prepaid expenses and other	13,726	22,323
Property, building and equipment, net	902,811	922,104
TOTAL ASSETS	$ 4,399,864	$ 4,502,031
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 59,345	$ 40,723
Accrued expenses	167,573	138,156
Deferred revenue	-	8,000
TOTAL LIABILITIES	226,918	186,879
NET ASSETS		
Unrestricted:		
Designated for property, building and equipment	902,811	922,104
Undesignated	3,258,242	3,246,525
Total unrestricted	4,161,053	4,168,629
Temporarily restricted	11,893	146,523
TOTAL NET ASSETS	4,172,946	4,315,152
TOTAL LIABILITIES AND NET ASSETS	$ 4,399,864	$ 4,502,031

See accompanying notes to the financial statements.

TENNESSEE VOICES FOR CHILDREN, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018			2017		
	Unrestricted	Temporarily Restricted	Totals	Unrestricted	Temporarily Restricted	Totals
SUPPORT AND REVENUE						
Grants and other contracts	$ 1,747,659	$ -	$ 1,747,659	$ 1,560,192	$ -	$ 1,560,192
Contributions	143,771	11,893	155,664	130,365	-	130,365
Conferences and other meetings	389	-	389	-	-	-
Investment income	66,429	-	66,429	58,278	-	58,278
Miscellaneous	6,680	-	6,680	24,671	-	24,671
Gain on sale of property, building and equipment	-	-	-	1,296,817	-	1,296,817
Net assets released from restriction	146,523	(146,523)	-	152,827	(152,827)	-
TOTAL SUPPORT AND REVENUE	2,111,451	(134,630)	1,976,821	3,223,150	(152,827)	3,070,323
EXPENSES						
Program services	1,597,663	-	1,597,663	1,506,979	-	1,506,979
Supporting services:						
Management and general	387,134	-	387,134	466,404	-	466,404
Fundraising	134,230	-	134,230	145,969	-	145,969
TOTAL EXPENSES	2,119,027	-	2,119,027	2,119,352	-	2,119,352
CHANGE IN NET ASSETS	(7,576)	(134,630)	(142,206)	1,103,798	(152,827)	950,971
NET ASSETS - BEGINNING OF YEAR	4,168,629	146,523	4,315,152	3,064,831	299,350	3,364,181
NET ASSETS - END OF YEAR	$ 4,161,053	$ 11,893	$ 4,172,946	$ 4,168,629	$ 146,523	$ 4,315,152

See accompanying notes to the financial statements.

TENNESSEE VOICES FOR CHILDREN, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (142,206)	$ 950,971
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	26,740	33,430
Bad debt expense	4,159	19,763
Unrealized gains on investments	(18,792)	(50,972)
Gain on sale of property, building and equipment	-	(1,296,817)
(Increase) decrease in:		
Grants receivable	(146,459)	122,641
Contributions receivable	65,000	65,000
Other receivables	(2,407)	6,256
Prepaid expenses and other	8,597	5,537
Increase (decrease) in:		
Accounts payable	18,622	10,577
Accrued expenses	29,417	(1,636)
Deferred revenue	(8,000)	2,500
TOTAL ADJUSTMENTS	(23,123)	(1,083,721)
NET CASH USED IN OPERATING ACTIVITIES	(165,329)	(132,750)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(39,850)	(1,317,596)
Sale of investments	272,241	260,418
Purchase of property, building and equipment	(7,447)	(905,771)
Proceeds from sale of property, building and equipment	-	1,907,457
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	224,944	(55,492)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on note payable	-	(67,866)
NET CASH USED IN FINANCING ACTIVITIES	-	(67,866)
DECREASE IN CASH	59,615	(256,108)
CASH - BEGINNING OF YEAR	339,274	595,382
CASH - END OF YEAR	$ 398,889	$ 339,274
SUPPLEMENTAL CASH FLOW DISCLOSURE:		
CASH PAID FOR:		
Interest paid	$ -	$ 9,836
NON-CASH TRANSACTION:		
Payoff of note payable at sale of building	$ -	$ (436,391)

See accompanying notes to the financial statements.

TENNESSEE VOICES FOR CHILDREN, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2018

	PROGRAM SERVICES								SUPPORTING SERVICES			
	EARLY CHILDHOOD PROGRAMS	SYSTEM OF CARE ACROSS TENNESSEE	HEALTHY TRANSITIONS	INTENSIVE IN-HOME FAMILY PRESERVATION SERVICES	STATEWIDE FAMILY SUPPORT NETWORK	YOUTH SCREEN	OTHER PROGRAM SERVICES	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL SUPPORTING SERVICES	TOTAL FUNCTIONAL EXPENSES
Salaries	$ 113,197	$ 164,853	$ 78,180	$ 110,709	$ 194,374	$ 77,231	$ 186,801	$ 925,345	$ 264,759	$ 54,753	$ 319,512	$ 1,244,857
Employee benefits	8,491	12,785	7,605	7,965	14,432	5,506	21,467	78,251	16,737	4,924	21,661	99,912
Payroll taxes	8,839	12,681	6,113	8,656	14,910	6,059	13,753	71,011	19,799	4,108	23,907	94,918
TOTAL PAYROLL AND RELATED EXPENSES	130,527	190,319	91,898	127,330	223,716	88,796	222,021	1,074,607	301,295	63,785	365,080	1,439,687
							-					
Conferences and meetings	2,520	13,452	-	146	6,883	1,600	13,183	37,784	4,790	3,371	8,161	45,945
Event expense	-	-	-	-	-	-	-	-	-	37,673	37,673	37,673
Bad debt expense	-	-	-	-	-	-	-	-	4,159	-	4,159	4,159
Depreciation	-	-	-	-	-	-	-	-	26,740	-	26,740	26,740
Insurance	1,827	2,453	2,005	1,911	3,451	1,283	3,313	16,243	2,662	569	3,231	19,474
Equipment rental and maintenance	1,369	500	1,147	938	1,311	2,818	2,573	10,656	1,150	338	1,488	12,144
Miscellaneous	-	-	2,025	-	-	-	1,126	3,151	2,895	1,444	4,339	7,490
Occupancy	3,254	759	2,809	3,051	3,206	2,361	4,530	19,970	5,846	1,316	7,162	27,132
Office supplies	2,622	16,565	7,515	1,172	3,878	2,148	3,228	37,128	2,840	10,455	13,295	50,423
Postage	270	390	211	216	539	173	438	2,237	284	686	970	3,207
Printing and publications	1,765	784	15,144	123	19,235	230	1,953	39,234	720	1,627	2,347	41,581
Professional	7,736	33,851	8,099	8,775	13,845	8,568	54,561	135,435	26,996	12,018	39,014	174,449
Telephone and internet	2,202	4,802	1,391	3,429	5,225	1,274	5,029	23,352	3,158	592	3,750	27,102
Travel	7,848	56,472	35,537	8,270	18,564	1,827	69,348	197,866	3,599	356	3,955	201,821
TOTAL FUNCTIONAL EXPENSES	$ 161,940	$ 320,347	$ 167,781	$ 155,361	$ 299,853	$ 111,078	$ 381,303	$ 1,597,663	$ 387,134	$ 134,230	$ 521,364	$ 2,119,027

See accompanying notes to the financial statements.

TENNESSEE VOICES FOR CHILDREN, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2017

	PROGRAM SERVICES								SUPPORTING SERVICES			
	EARLY CONNECTIONS NETWORK	YOUTH SCREEN	HEALTHY TRANSITIONS	INTENSIVE IN-HOME FAMILY PRESERVATION SERVICES	STATEWIDE FAMILY SUPPORT NETWORK	EARLY CHILDHOOD PROGRAMS	OTHER PROGRAM SERVICES	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL SUPPORTING SERVICES	TOTAL FUNCTIONAL EXPENSES
Salaries	$ 82,517	$ 68,075	$ 80,774	$ 108,721	$ 176,182	$ 94,571	$ 258,023	$ 868,863	$ 268,724	$ 56,116	$ 324,840	$ 1,193,703
Employee benefits	5,992	6,362	7,639	14,842	19,661	6,518	26,846	87,860	15,302	6,576	21,878	109,738
Payroll taxes	6,438	5,502	6,477	8,619	13,986	7,489	21,141	69,652	21,444	4,366	25,810	95,462
TOTAL PAYROLL AND RELATED EXPENSES	94,947	79,939	94,890	132,182	209,829	108,578	306,010	1,026,375	305,470	67,058	372,528	1,398,903
Conferences and meetings	3,618	627	-	117	6,758	1,265	12,297	24,682	5,532	2,157	7,689	32,371
Event expense	-	-	-	-	-	-	-	-	-	52,439	52,439	52,439
Bad debt expense	-	-	-	-	-	-	-	-	19,763	-	19,763	19,763
Depreciation	-	-	-	-	-	-	-	-	33,430	-	33,430	33,430
Insurance	767	569	1,475	1,066	1,677	944	2,603	9,101	1,680	330	2,010	11,111
Equipment rental and maintenance	467	1,736	753	1,527	1,192	744	4,314	10,733	3,100	139	3,239	13,972
Miscellaneous	240	-	405	-	-	-	3,165	3,810	4,875	85	4,960	8,770
Occupancy	3,193	3,015	4,154	5,063	8,357	4,832	11,926	40,540	36,564	1,694	38,258	78,798
Office supplies	3,730	5,444	8,977	2,014	4,135	9,819	12,237	46,356	10,295	2,608	12,903	59,259
Postage	254	218	183	215	756	290	724	2,640	279	793	1,072	3,712
Printing and publications	600	248	1,287	292	3,236	2,648	3,526	11,837	302	984	1,286	13,123
Professional	9,546	6,027	10,759	8,525	12,989	7,587	130,342	185,775	38,098	15,766	53,864	239,639
Specific assistance for individuals	-	-	-	-	-	-	1,049	1,049	-	-	-	1,049
Telephone and internet	2,955	1,625	2,342	3,992	7,329	2,324	10,175	30,742	4,725	1,110	5,835	36,577
Travel	13,899	1,582	21,717	6,387	17,145	7,356	45,253	113,339	2,291	806	3,097	116,436
TOTAL FUNCTIONAL EXPENSES	$ 134,216	$ 101,030	$ 146,942	$ 161,380	$ 273,403	$ 146,387	$ 543,621	$ 1,506,979	$ 466,404	$ 145,969	$ 612,373	$ 2,119,352

See accompanying notes to the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Tennessee Voices for Children, Inc. ("TVC" or the "Agency") is a statewide advocacy agency for families whose children have emotional, behavioral and/or mental health issues. Its mission is to deliver leadership, support, and services that champion voice, hope and empowerment for the emotional and behavioral well-being of children, youth, and their families. TVC takes an active role in the development of family-friendly policies and encourages and supports family involvement on advisory boards such as the statewide Mental Health Planning Council, Behavioral Health Organizations, advisory councils, and community planning groups. Funding for TVC's services is provided principally by federal and state grants and certain contract revenues.

Basis of Presentation

The accompanying financial statements present the financial position and changes in net assets of TVC on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Resources are classified as unrestricted, temporarily restricted or permanently restricted net assets, based on the existence or absence of donor-imposed restrictions, as follows:

- *Unrestricted net assets* are free of donor-imposed restrictions. All revenues, gains and losses that are not temporarily or permanently restricted by donors are included in this classification. All expenditures are reported in the unrestricted class of net assets, since the use of restricted contributions in accordance with the donors' stipulations results in the release of the restriction.

- *Temporarily restricted net assets* are limited as to use by donor-imposed restrictions that expire with the passage of time or that can be satisfied by use for the specific purpose.

- *Permanently restricted net assets* are amounts required by donors to be held in perpetuity, including gifts requiring that the principal be invested and the income or specific portions thereof be used for operations.

TVC had no permanently restricted net assets as of June 30, 2018 or 2017.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Support

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a restriction is fulfilled (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted and reported in the Statement of Activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the support is reported as unrestricted.

TVC receives grant revenues from various federal, state and local agencies. Grant revenue is recognized in the period a liability is incurred for eligible expenditures under the terms of the grant. Grant funds received prior to expenditure are recorded initially as deferred revenue.

TVC reports any gifts of equipment or materials as unrestricted support unless explicit donor restrictions specify how the assets must be used. Gifts of long-lived assets with explicit restrictions as to how the assets are to be used or funds restricted for the acquisition of long-lived assets are reported as restricted support. Expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

Contributions Receivable

Unconditional contributions receivable that are expected to be collected within one year are recorded as contributions receivable at their estimated net realizable value. Unconditional contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Conference Revenue

TVC holds a biennial conference for which revenue is recognized as income when the related event occurs. Any conference revenue received in advance is reported as deferred revenue.

Cash

Cash consists principally of checking account balances.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments consist of money market funds and shares of a mutual fund. Money market funds and mutual funds are carried at their quoted market value on the last business day of the reporting period. Changes in unrealized gains and losses are recognized currently in the Statement of Activities for the year.

Allowance for Uncollectible Accounts

An allowance for uncollectible receivables is not provided in the financial statements based on management's assessment of specific accounts and historical collection experience.

Fair Value Measurements

TVC classifies its investments based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available), and Level 3 (valued based on significant unobservable inputs).

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

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Investments - Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include highly liquid securities and certain other products, such as mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows and are classified within Level 2 of the valuation hierarchy. In certain cases where there is limited activity, or less transparency around inputs to the valuation, securities are classified within Level 3 of the valuation hierarchy.

There have been no changes in the valuation methodologies used at June 30, 2018 and 2017.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while TVC believes its valuation methods are appropriate and consistent with that of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting date.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Building and Equipment

Property, building and equipment are reported at cost at the date of purchase or at estimated fair value at the date of gift to TVC. TVC's policy is to capitalize expenditures with a cost of $5,000 or more and an estimated useful life greater than one year. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets as follows: five to seven years for furniture and equipment and fifteen to forty years for the building and improvements.

Donated Services

TVC's policy is to record support and expenses for contributed services that require specialized skills and would be purchased if not provided by the donor, at the estimated fair value of the services received.

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program Services - include programs to improve and expand services related to the emotional and behavioral well-being of children. Some of TVC's programs are:

- Early Childhood Programs - Provides on-site consultation and training to parents and staff associated with childcare and Head Start programs throughout Tennessee. Program staff is also involved in state and national research to identify effective strategies for working with young children with challenging behaviors.

- System of Care Across Tennessee - In partnership with the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS), the Tennessee Commission on Children and Youth (TCCY) and Centerstone Research Institute (CRI), TVC provides high-fidelity wraparound services to children, youth, young adults (0-21) and their families in Clay County, Cocke County and Decatur County. These services are designed to support those with the highest level of behavioral health need. Each county employs a Family Support Specialist and a Care Coordinator who work as a team with enrolled youth and families driving the services they receive.

- Healthy Transitions - seeks to improve access to treatment and support services for youth and young adults ages 16-25 that either have, or are at risk of developing a serious mental health illness, serious emotional disturbance, or co-occurring disorder. The goal of Healthy Transitions is to assist these youth and young adults in improving their health and wellness, leading self-directed lives, and reaching their full potential.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services (Continued):

Program Services (Continued):

- Intensive In-Home Family Preservation Services ("Family Connection") - provides families the tools they need to maintain children and youth with complex needs at home, in school, and in the community. The program is family-driven, providing assistance in navigating the child-serving systems, advocacy, support, and therapeutic skill-building to prevent placement outside the home to a higher level of care. Program staff ensures that caregivers are an integral part of the intervention at all stages.

- Statewide Family Support Network ("SFSN") - provides valuable support, information and training to parents and caregivers across the state, empowering them to successfully "navigate" the complex child-serving systems to obtain the services necessary for their children and youth with emotional and behavioral disorders. SFSN staff provides direct assistance, support groups, information and skill-based training, family representation on over 145 councils and coalitions, Youth in Action Council facilitation, and outreach to schools, mental health providers, and policy-makers in Tennessee.

- Youth Screen - provided by TVC to interested school districts in any county in Tennessee and was developed by Columbia University. Youth Screen provides a screening for teens that helps identify teens that are at risk for a variety of mental health issues including: suicide, depression, anxiety disorders, substance abuse and other health related problems.

- Early Connections Network - the purpose of the Early Connections Network is to build a system of care for young children, birth to five, with social, emotional and behavioral needs.

Supporting Services:

- Management and General - relates to the overall direction of the organization. These expenses are not identifiable with a particular program or with fundraising, but are indispensable to the conduct of those activities and are essential to the organization. Specific activities include organization oversight, business management, recordkeeping, budgeting, financing, and other administrative activities.

- Fundraising - includes costs of activities directed toward appeals for financial support, including special events. Other activities include the creation and distribution of fundraising materials.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Functional Expenses

Expenses that can be directly attributed to a particular function are charged to that function. Expenses that relate to more than one function are allocated among applicable functions on the basis of objective evaluation of financial and nonfinancial data or reasonable subjective methods determined by management.

Use of Estimates in the Preparation of Financial Statements

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

Income Taxes

TVC qualifies as a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income taxes are not provided.

TVC files a U.S. Federal Form 990 for organizations exempt from income tax.

Management performs an evaluation of all income tax positions taken or expected to be taken in the course of preparing TVC's income tax returns to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. Management has performed its evaluation of all income tax positions taken on all open income tax returns and has determined that there were no positions taken that do not meet the "more likely than not" standard. Accordingly, there are no provisions for income taxes, penalties or interest receivable or payable relating to uncertain income tax positions in the accompanying financial statements.

Events Occurring After Reporting Date

The Agency has evaluated events and transactions that occurred between June 30, 2018 and December 20, 2018, the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Agency is in the process of evaluating the impact of this new guidance.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*, which simplifies and improves how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. Among other changes, the ASU replaces the three current classes of net assets with two new classes, "net assets with donor restrictions" and "net assets without donor restrictions," and expands disclosures about the nature and amount of any donor restrictions. ASU 2016-14 is effective for annual periods beginning after December 15, 2017 and interim periods within fiscal years beginning after December 15, 2018, with early adoption permitted. The Agency is currently evaluating the impact the adoption of this guidance will have on its financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in GAAP when it becomes effect and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Agency is currently evaluating the effect that the updated standard will have on the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements (Continued)

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows* (Topic 230): *Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 provides guidance on how certain cash receipts and cash payments should be presented and classified in the statement of cash flows with the objective of reducing existing diversity in practice with respect to these items. ASU 2016-15 will be effective for the Agency on January 1, 2019. ASU 2016-15 requires a retrospective transition method. However, if it is impracticable to apply the amendments retrospectively for some of the issues, the amendments for those issues would be applied prospectively as of the earliest date practicable. The Agency is currently evaluating the impact the adoption of this guidance will have on its statement of cash flows.

NOTE 2 - CONCENTRATIONS OF CREDIT RISK

Grants receivable represent concentrations of credit risk to the extent the grants are receivable from concentrated sources. TVC receives over 90% of its funding from federal, state and local grants and contracts.

Contributions receivable from one contributor comprised 100% of the contributions receivable balance as of June 30, 2017.

The Agency maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. At times, the Agency's deposits at financial institutions may exceed federally insured limits.

Certain cash and securities held in broker/dealer accounts are insured by the Securities Investor Protection Corporation ("SIPC"), up to $500,000 per broker/dealer (including a maximum of $250,000 for cash claims), in certain circumstances such as fraud or failure of the institution. The SIPC does not insure against market risk.

NOTE 3 - INVESTMENTS

Investments consisted of the following as of June 30:

	2018	2017
Money market funds	$ 1,050,444	$ 1,322,685
Mutual funds	1,622,448	1,563,806
	$ 2,672,892	$ 2,886,491

NOTE 3 - INVESTMENTS (CONTINUED)

Investment income consists of the following for the years ended June 30:

	2018	2017
Interest and dividend income	$ 47,637	$ 7,306
Unrealized gains	18,792	50,972
Total investment income	$ 66,429	$ 58,278

NOTE 4 - GRANTS RECEIVABLE

Grants receivable consisted of the following as of June 30:

	2018	2017
State of Tennessee Department of Mental Health	$ 350,464	$ 188,279
Advantage Behavioral Health	-	25,575
State of Tennessee Department of Children's Services	48,988	43,298
	$ 399,452	$ 257,152

NOTE 5 - PROPERTY, BUILDING AND EQUIPMENT

Property, building, and equipment consisted of the following as of June 30:

	2018	2017
Land	$ 192,254	$ 192,254
Buildings and improvements	714,379	706,932
Furniture and equipment	95,589	95,589
	1,002,222	994,775
Less: accumulated depreciation	(99,411)	(72,671)
	$ 902,811	$ 922,104

NOTE 6 - FAIR VALUE MEASUREMENTS

The following table set forth TVC's major categories of assets measured at fair value on a recurring basis, by level, within the fair hierarchy, as of June 30:

	Level 1	Level 2	Level 3	Total
2018				
Investments:				
Money Market Funds	$ 1,050,444	$ -	$ -	$ 1,050,444
Mutual Funds:				
Bond Fund	765,771	-	-	765,771
Growth and Income Fund	361,616	-	-	361,616
Growth Fund	166,131	-	-	166,131
Balance Fund	328,930	-	-	328,930
Total Mutual Funds	1,622,448	-	-	1,622,448
Total investments at fair value	$ 2,672,892	$ -	$ -	$ 2,672,892
2017				
Investments:				
Money Market Funds	$ 1,322,685	$ -	$ -	$ 1,322,685
Mutual Funds:				
Bond Fund	988,633	-	-	988,633
Growth and Income Fund	162,755	-	-	162,755
Growth Fund	95,366	-	-	95,366
Balance Fund	317,052	-	-	317,052
Total Mutual Funds	1,563,806	-	-	1,563,806
Total investments at fair value	$ 2,886,491	$ -	$ -	$ 2,886,491

NOTE 7 - CONTINGENCIES

The Agency has received various government grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in disallowance of expenditures, management believes that any required reimbursements would not be significant. Accordingly, no provision has been made for potential reimbursements to grantors.

NOTE 8 - EMPLOYEE BENEFIT PLANS

TVC sponsors the Tennessee Voices for Children 403(b) Plan (the "Plan") under Section 403(b) of the Internal Revenue Code established on January 1, 2009. All employees are eligible to make elective deferrals on the first of the month following their date of hire. Upon completion of one month of service, employees become eligible for matching and nonelective contributions. TVC may make discretionary matching and nonelective contributions to the Plan. TVC's discretionary match was 2% for the years ended June 30, 2018 and 2017. TVC also made nonelective contributions to the Plan in 2018 and 2017. Total contributions amounted to $19,961 and $17,007 for the years ended June 30, 2018 and 2017, respectively.

NOTE 9 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at June 30:

	2018	2017
Time restricted contributions receivable	$ -	$ 65,000
Consultation fees to obtain CARF accreditation	-	40,607
Family support training	-	40,916
Administrative development	11,893	-
	$ 11,893	$ 146,523

ADDITIONAL INFORMATION

TENNESSEE VOICES FOR CHILDREN, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2018

Grant Description		Federal CFDA#	Grant Number	Grant Period	Accrued (Deferred) 7/1/17	Federal Receipts	Expenditures	Other Adjustments	Accrued (Deferred) 6/30/18
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES									
PASSED THROUGH STATE OF TENNESSEE DEPARTMENT OF MENTAL HEALTH									
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	*	93.104	53115	01/01/17 - 09/30/17	$ 17,870	$ 24,627	$ 6,757	$ -	$ -
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	*	93.104	56112	10/01/17 - 09/30/18	-	225,435	373,802	-	148,367
Block Grants for Community Mental Health Services		93.958	50194	07/01/16 - 06/30/17	40,883	40,883	-	-	-
Block Grants for Community Mental Health Services		93.958	54417	07/01/17 - 06/30/18	-	154,472	189,999	-	35,527
Block Grants for Community Mental Health Services		93.958	49725	07/01/16 - 06/30/17	30,705	30,705	-	-	-
Block Grants for Community Mental Health Services		93.958	54737	07/01/17 - 06/30/18	-	97,753	122,572	-	24,819
Block Grants for Prevention and Treatment of Substance Abuse		93.959	53539	07/01/17 - 06/30/18	-	62,100	75,000	-	12,900
Substance Abuse and Mental Health Services - Projects of Regional and National Significance		93.243	51392	10/01/16 - 09/30/17	42,061	61,010	18,949	-	-
Substance Abuse and Mental Health Services - Projects of Regional and National Significance		93.243	56352	10/01/17 - 09/30/18	-	147,567	179,116	-	31,549
TOTAL PASSED THROUGH STATE OF TENNESSEE DEPARTMENT OF MENTAL HEALTH					131,519	844,552	966,195	-	253,162
PASSED THROUGH ADVANTAGE BEHAVIORAL HEALTH:									
Substance Abuse and Mental Health Services - Projects of Regional and National Significance		93.243	N/A	10/01/16 - 09/30/17	17,575	68,316	42,741	8,000	-
TOTAL PASSED THROUGH ADVANTAGE BEHAVIORAL HEALTH:					17,575	68,316	42,741	8,000	-
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES					149,094	912,868	1,008,936	8,000	253,162
US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT									
PASSED THROUGH STATE OF TENNESSEE DEPARTMENT OF CHILDREN'S SERVICES									
Child Abuse Prevention		93.590	53115	07/01/16 - 09/30/17	17,848	17,848	-		-
Child Abuse Prevention		93.590	45285	07/01/17 - 09/30/18	-	40,012	50,000	-	9,988
TOTAL US DEPARTMENT OF HOUSING & URBAN DEVELOPMENT					17,848	57,860	50,000	-	9,988
TOTAL EXPENDITURES OF FEDERAL AWARDS					$ 166,942	$ 970,728	$ 1,058,936	$ 8,000	$ 263,150

Summary of Expenditures by CFDA Number

93.104	$ 380,559
93.243	240,806
93.958	312,571
93.959	75,000
93.590	50,000
Total	$ 1,058,936

* Considered a major program under *Title 2 U.S. Code of Federal Regulations (CFR)* Part 200

See Notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards on page 21.

TENNESSEE VOICES FOR CHILDREN, INC.

SCHEDULE OF EXPENDITURES OF STATE AWARDS

FOR THE YEAR ENDED JUNE 30, 2018

Grant Description	Grant Number	Grant Period	Accrued (Deferred) 7/1/17	State Receipts	Expenditures	Accrued (Deferred) 6/30/18
STATE OF TENNESSEE DEPARTMENT OF MENTAL HEALTH						
Child Care Consultation	54417	07/01/17 - 06/30/18	$ -	$ 2,671	$ 2,671	$ -
Family Support and Advocacy	49714	07/01/16 - 06/30/17	56,760	56,760	-	-
Family Support and Advocacy	54740	07/01/17 - 06/30/18	-	259,147	342,637	83,490
Block Grants for Community Mental Health Services	54737	07/01/17 - 06/30/18	-	7,502	9,987	2,485
Family Support Providers in Juvenile Courts	54572	07/01/17 - 06/30/18	-	13,761	25,088	11,327
TOTAL STATE OF TENNESSEE DEPARTMENT OF MENTAL HEALTH			56,760	339,841	380,383	97,302
STATE OF TENNESSEE DEPARTMENT OF CHILDREN'S SERVICES						
Intensive In-Home Family Preservation Services	GR-44961	07/01/16 - 06/30/17	25,450	25,450	-	-
Intensive In-Home Family Preservation Services	GR-44961	07/01/76 - 06/30/18	-	211,950	250,950	39,000
TOTAL STATE OF TENNESSEE DEPARTMENT OF CHILDREN'S SERVICES			25,450	237,400	250,950	39,000
TOTAL EXPENDITURES OF STATE AWARDS			$ 82,210	$ 577,241	$ 631,333	$ 136,302

See Notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards on page 21.

TENNESSEE VOICES FOR CHILDREN, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND SCHEDULE OF EXPENDITURES OF STATE AWARDS

FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards (the "Schedules") include the federal and state grant activity, respectively, of the Agency and are presented on the accrual basis of accounting. The information in the Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Title 2 U. S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedules present only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The organization has elected not to use the 10-percent de minims indirect cost rate as allowed under the Uniform Guidance.

OTHER REPORTS

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

Board of Directors
Tennessee Voices for Children, Inc.
Nashville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tennessee Voices for Children, Inc. ("TVC"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2018.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

Kraft CPAs PLLC

Nashville, Tennessee
December 20, 2018

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Directors
Tennessee Voices for Children, Inc.
Nashville, Tennessee

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Tennessee Voices for Children, Inc.'s ("TVC") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of TVC's major federal programs for the year ended June 30, 2018. TVC's major federal programs 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 federal statues, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of TVC's major federal programs 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 occurred. An audit includes examining, on a test basis, evidence about TVC'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. However, our audit does not provide a legal determination of TVC's compliance.

OPINION ON EACH MAJOR FEDERAL PROGRAM

In our opinion, TVC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

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REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of TVC 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 TVC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program 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 to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of TVC'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 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 will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Kraft CPAs PLLC

Nashville, Tennessee
December 20, 2018

TENNESSEE VOICES FOR CHILDREN, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2018

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	______ yes	x no
• Significant deficiency(ies) identified?	______ yes	x none reported
Noncompliance material to financial statements noted?	______ yes	x no

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	______ yes	x no
• Significant deficiency(ies) identified?	______ yes	x none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	______ yes	x no

Identification of major programs:

CFDA Number(s)	*Name of Federal Program or Cluster*
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	x yes	______ no

Section II - Financial Statement Findings

There were no audit findings in the prior or current year.

Section III - Federal Award Findings

There were no federal award findings in the prior or current year.