

**EARLY LEARNING COALITION OF
PINELLAS COUNTY, INC.**

Financial Statements

**Supplementary Financial Information and Reports as Required by the
Comptroller General of the United States, OMB Circular A-133 and
Chapter 10.650, Rules of the Auditor General of the State of Florida
For the Years Ended June 30, 2008 and 2007**

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

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Report of Independent Auditors

To the Board of Directors
Early Learning Coalition of Pinellas County, Inc.:

We have audited the accompanying balance sheets of Early Learning Coalition of Pinellas County, Inc. (the Organization) as of June 30, 2008 and 2007 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Early Learning Coalition of Pinellas County, Inc. at June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 19, 2009 on our consideration of Early Learning Coalition of Pinellas County, Inc.'s internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were made for the purpose of forming an opinion on the basic financial statements of Early Learning Coalition of Pinellas County, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards, state financial assistance and local awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, Rules of the Auditor General, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Chy. Bekaert & Holland, L.L.P.

St. Petersburg, Florida
January 19, 2009

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

Balance Sheets
June 30, 2008 and 2007

| Assets | 2008 | 2007 |
|---|---------------------|---------------------|
| Cash | \$ 66,560 | \$ 521,641 |
| Accounts receivable | 3,845,792 | 3,627,441 |
| Prepaid expenses | 3,698 | 2,619 |
| Equipment and computers, net of accumulated depreciation of \$80,747 and \$75,321 for 2008 and 2007, respectively | 29,935 | 35,637 |
| Total assets | <u>\$ 3,945,985</u> | <u>\$ 4,187,338</u> |
| Liabilities and Net Assets | | |
| Accounts payable | \$ 3,465,583 | \$ 3,534,806 |
| Accrued liabilities | 76,751 | 65,066 |
| Deferred revenue | 40,390 | - |
| Due to grantor | - | 233,950 |
| Interest payable | 5,622 | 20,532 |
| Total liabilities | 3,588,346 | 3,854,354 |
| Net assets - unrestricted | <u>357,639</u> | <u>332,984</u> |
| Total liabilities and net assets | <u>\$ 3,945,985</u> | <u>\$ 4,187,338</u> |

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.**Statements of Activities
Years Ended June 30, 2008 and 2007**

| | <u>2008</u> | <u>2007</u> |
|---|-------------------|-------------------|
| Revenue: | | |
| Grants | \$ 48,071,833 | \$ 47,480,728 |
| Other income | 43,818 | 24,365 |
| | <u>48,115,651</u> | <u>47,505,093</u> |
| | | |
| Expenses: | | |
| Program services: | | |
| Disbursements to subrecipients: | | |
| Coordinated Child Care of Pinellas, Inc. | 46,719,117 | 46,261,307 |
| Pinellas County Health Department | 129,225 | 70,673 |
| Florida First Start | 261,117 | 270,754 |
| Other subrecipients | 37,492 | 14,750 |
| Other program expenses | 66,609 | 113,755 |
| Total program services | <u>47,213,560</u> | <u>46,731,239</u> |
| | | |
| General and administrative: | | |
| Salaries and fringe benefits | 623,138 | 554,450 |
| Professional fees | 90,904 | 56,068 |
| Rent | 32,245 | 31,274 |
| Office supplies | 27,151 | 13,327 |
| Travel and conferences | 36,597 | 36,714 |
| Telephone | 14,377 | 11,122 |
| Printing and postage | 6,360 | 11,117 |
| Advertising | 2,555 | 7,884 |
| Insurance | 6,705 | 5,355 |
| Utilities | 5,290 | 5,306 |
| Small equipment and repairs | 3,585 | - |
| Depreciation | 16,548 | 28,000 |
| Other expenses | 11,981 | 5,330 |
| Total general and administrative | <u>877,436</u> | <u>765,947</u> |
| | | |
| Total expenses | <u>48,090,996</u> | <u>47,497,186</u> |
| | | |
| Change in net assets | 24,655 | 7,907 |
| Net assets, unrestricted - at beginning of year | <u>332,984</u> | <u>325,077</u> |
| | | |
| Net assets, unrestricted - at end of year | <u>\$ 357,639</u> | <u>\$ 332,984</u> |

See notes to financial statements.

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

Statements of Cash Flows
Years Ended June 30, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|---|------------------|-------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ 24,655 | \$ 7,907 |
| Adjustments to reconcile change in net assets to net cash used by operating activities: | | |
| Depreciation | 16,548 | 28,000 |
| (Increase) decrease in: | | |
| Accounts receivable | (218,351) | (602,566) |
| Due from subrecipient | - | 205,228 |
| Prepaid expenses | (1,079) | (2,619) |
| Increase (decrease) in: | | |
| Accounts payable | (69,223) | (202,705) |
| Interest payable | (14,910) | 20,532 |
| Due to grantor | (233,950) | 9,592 |
| Deferred revenue | 40,390 | - |
| Accrued liabilities | 11,685 | (434) |
| Net cash used by operating activities | <u>(444,235)</u> | <u>(537,065)</u> |
| Cash flows from investing activities: | | |
| Purchases of equipment | <u>(10,846)</u> | <u>(17,912)</u> |
| Net cash used by investing activities | <u>(10,846)</u> | <u>(17,912)</u> |
| Net decrease in cash | (455,081) | (554,977) |
| Cash beginning of year | <u>521,641</u> | <u>1,076,618</u> |
| Cash end of year | <u>\$ 66,560</u> | <u>\$ 521,641</u> |

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

Notes to Financial Statements Years Ended June 30, 2008 and 2007

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Operations – Early Learning Coalition of Pinellas County, Inc. (the Coalition) is a Florida not for profit corporation which began operations July 1, 2001. It is responsible for the development, implementation and administrative oversight of publicly funded school readiness programs and voluntary pre-kindergarten programs in Pinellas County. The Coalition's mission is to facilitate an efficient, comprehensive, high quality system of school readiness services, to include early care and educational, social, cognitive, and physical development of all children through collaboration with the community, early care providers and families.

The Coalition contracts with Pinellas County Schools to provide the First Start program. Florida First Start is a home visitation program designed to give children, at risk of school failure, the best possible start in life and to support parents in their role as their children's first teachers.

The Coalition contracts with Coordinated Child Care of Pinellas, Inc., a private, not-for-profit corporation, to assist eligible children and families access to subsidized school readiness/child care services and voluntary pre kindergarten services.

The Coalition contracts with the Pinellas County Health Department for hearing and vision screening programs for all children who participate in the School Readiness program.

Basis of Presentation – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues and expenses, are classified based on the existence or absence of donor-imposed restrictions. The Coalition received no funds with donor-imposed restrictions; therefore net assets of the Coalition and changes therein are classified and reported as unrestricted net assets.

Property and Equipment – Property and equipment are carried at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets. Expenditures in excess of \$750 with an estimated useful life greater than one year are capitalized.

Property acquired with governmental funds is considered to be owned by the Coalition while used in the program for which it was purchased or in future authorized programs; however, its disposition and the ownership of any proceeds are subject to applicable regulations.

Federal Income Tax – The Coalition is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly no provision for income taxes has been made.

Use of Estimates in the Financial Statements – In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

Notes to Financial Statements Years Ended June 30, 2008 and 2007

Note 2 – Concentration of Credit Risk

The activities of the Coalition are conducted in Pinellas County, Florida and are supported by funding provided by government agencies.

The Coalition maintains cash balances at various times during the year in excess of the \$100,000 guaranteed by the Federal Deposit Insurance Corporation. Amounts in excess of federally insured limits were \$ 20,586 and \$ 476,659 at June 30, 2008 and 2007, respectively.

Note 3 – Related Party Transactions

Certain non-voting members of the Board of Directors are mandated in the “School Readiness Act”. The related party members include the Executive Director of Coordinated Child Care of Pinellas, Inc. (child care provider) and Assistant Superintendent for Elementary & Special Education of Pinellas County Schools (child care provider).

During the fiscal year ending June 30, 2008 the Coalition paid \$29,446,013 and \$227,001 for services provided by Coordinated Child Care of Pinellas, Inc. and Pinellas County Schools, respectively. In addition, the Coalition paid \$13,892,542 for services provided by Coordinated Child Care of Pinellas, Inc. under the Voluntary Pre Kindergarten Education Program. At June 30, 2008, \$3,378,188 and \$34,116 was payable to Coordinated Child Care of Pinellas, Inc. and Pinellas County Schools, respectively.

During the fiscal year ending June 30, 2007 the Coalition paid \$29,593,660 and \$206,334 for services provided by Coordinated Child Care of Pinellas, Inc. and Pinellas County Schools, respectively. In addition, the Coalition paid \$13,154,318 for services provided by Coordinated Child Care of Pinellas, Inc. under the Voluntary Pre Kindergarten Education Program. At June 30, 2007, \$3,383,213 and \$64,419 was payable to Coordinated Child Care of Pinellas, Inc. and Pinellas County Schools, respectively.

The Executive Director of the Pinellas County Health Department, with whom the Coalition contracts to perform hearing and vision screening, is also a member of the Board of Directors. During the fiscal year ending June 30, 2008 \$120,450 was paid to Pinellas County Health Department for services provided. At June 30, 2008 \$8,775 was payable to Pinellas County Health Department. During the fiscal year ending June 30, 2007, \$59,573 was paid to Pinellas County Health Department for services provided. At June 30, 2007 \$11,100 was payable to Pinellas County Health Department.

Note 4 – Leases

The Coalition is party to a five-year non-cancelable operating lease for its administrative offices. The lease expires on June 30, 2009. Rent expense for the years ended June 30, 2008 and 2007 was \$32,245 and \$31,274, respectively.

Future minimum rental payment for the year ended June 30, 2009 is \$33,298.

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

**Notes to Financial Statements
Years Ended June 30, 2008 and 2007**

Note 5 – Retirement Plan

The Coalition has a 401(k) retirement plan that provides a contribution of 5% of each employee's salary and will also match the employee's contribution up to 5% of salary. The employees are vested after one year of employment. The contribution was \$43,971 and \$42,548 for the years ended June 30, 2008 and 2007, respectively.

Note 6 – School Readiness Monthly Reconciliations

The Coalition prepared monthly reconciliations of its financial records to the statewide School Readiness data and reporting system in a timely and satisfactory manner.

Note 7 – Subsequent event

In October 2008, the Coalition entered into a seven year lease agreement for new office space. The agreement requires a security deposit and first month's rent of approximately \$29,000, which was due at signing. Per the agreement, the Coalition shall receive up to the first five months rent free, with monthly base rent payments of approximately \$7,000 to begin approximately the sixth month following the commencement date.

Accompanying Financial Information

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

**Schedule of Expenditures of Federal Awards,
State Financial Assistance and Local Awards
For the Year Ended June 30, 2008**

| <u>Federal Grantor/ Program Title</u> | <u>CFDA CSFA</u> | <u>Expenditures</u> | <u>Transfers to Subrecipients</u> |
|--|----------------------|----------------------|---------------------------------------|
| FEDERAL AWARDS: | | | |
| U.S. Department of Health and Human Services Passed through State of Florida Agency for Workforce Innovation | | | |
| Child Care and Development Block Grant | 93.575 | \$ 7,013,400 | \$ 6,896,844 |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596 | <u>11,279,685</u> | <u>11,092,227</u> |
| Total Child Care Cluster | | <u>18,293,085</u> | <u>17,989,071</u> |
| Temporary Assistance for Needy Families | 93.558 | 6,570,419 | 6,461,224 |
| Social Services Block Grant | 93.667 | 12,714 | 12,503 |
| Passed through Florida Developmental Disabilities Council, Inc. | | | |
| Developmental Disabilities Basic Support and Advocacy Grant | 93.630 | <u>39,630</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | <u>\$ 24,915,848</u> | <u>\$ 24,462,798</u> |
| STATE FINANCIAL ASSISTANCE: | | | |
| State of Florida Agency for Workforce Innovation | | | |
| School Readiness Services | 75.005 | \$ 34,557 | \$ 33,982 |
| Voluntary PreKindergarten Education Program | 75.007 | 14,441,362 | 14,279,986 |
| Voluntary PreKindergarten Education Outreach & Awareness | 75.007 | 60,124 | - |
| State of Florida Department of Education | | | |
| Voluntary PreKindergarten Facilitators | 48.098 | 84,869 | - |
| Voluntary PreKindergarten Assistance to Low Performing Providers | 48.098 | <u>23,430</u> | <u>-</u> |
| Total Expenditures of State Awards | | <u>\$ 14,644,342</u> | <u>\$ 14,313,968</u> |
| LOCAL FINANCIAL ASSISTANCE | | | |
| State of Florida Agency for Workforce Innovation | | | |
| State Match for School Readiness Funding | N/A | <u>\$ 8,511,643</u> | <u>\$ 8,370,185</u> |
| Total Federal, State and Local Expenditures | | <u>\$ 48,071,833</u> | <u>\$ 47,146,951</u> |

See accompanying notes to schedules of expenditures of federal awards, state financial assistance and local awards.

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

**Notes to Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards
Year Ended June 30, 2008**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards, state financial assistance and local awards includes the federal, state and local grant activity of the Early Learning Coalition of Pinellas County, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with accounting principles generally accepted in the United States of America as applicable to non-profit organizations, the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the requirements of Chapter 10.650, Rules of the Auditor General.

Note 2 – Contingencies

Expenditures incurred by the Early Learning Coalition of Pinellas County, Inc. and the subgrantees associated with the execution of various grants are subject to audit and possible disallowance by the grantor agency. The Coalition would be held responsible for recovery (reimbursement to the grantor agency) of disallowed amounts incurred by the subgrantee if the subgrantee were not able to do so. Management believes that if audited, any adjustment for disallowed expenses would be immaterial in amount.

Grant Compliance



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

To the Board of Directors
Early Learning Coalition of Pinellas County, Inc.:

We have audited the financial statements of Early Learning Coalition of Pinellas County, Inc. (the Organization) as of and for the year ended June 30, 2008, and have issued our report thereon dated January 19, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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 that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the board of directors, management and the funding sources of Early Learning Coalition of Pinellas County, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Ch. Brett Hall, L.L.P.

St. Petersburg, Florida
January 19, 2009



**Report on Compliance with Requirements Applicable to Each
Major Federal Program and State Project and on Internal Control
over Compliance in Accordance with OMB Circular A-133, Chapter
10.650, Rules of the Auditor General of the State of Florida and
Special Audit Guidance Provided by the State of Florida Agency
for Workforce Innovation**

To the Board of Directors
Early Learning Coalition of Pinellas County, Inc.:

Compliance

We have audited the compliance of Early Learning Coalition of Pinellas County, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, the requirements described in the Executive Office of the Governor of Florida's State Projects Compliance Supplement, that are applicable to its major federal programs and state projects for the year ended June 30, 2008 and special audit guidance provided by the State of Florida Agency for Workforce Innovation. Early Learning Coalition of Pinellas County, Inc.'s major federal programs and state projects are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs and state projects is the responsibility of Early Learning Coalition of Pinellas County, Inc.'s management. Our responsibility is to express an opinion on Early Learning Coalition of Pinellas County, Inc.'s compliance based on our audit.

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 Chapter 10.650, Rules of the Auditor General. Those standards, OMB Circular A-133 and 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 Early Learning Coalition of Pinellas County, Inc.'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. Our audit does not provide a legal determination on Early Learning Coalition of Pinellas County, Inc.'s compliance with those requirements.

In our opinion, Early Learning Coalition of Pinellas County, Inc. complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs and state projects for the year ended June 30, 2008.

Internal Control Over Compliance

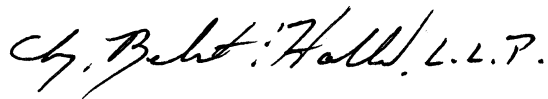
The management of Early Learning Coalition of Pinellas County, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs and state projects. In planning and performing our audit, we considered Early Learning Coalition of Pinellas County, Inc.'s internal control over compliance with requirements that could have a direct and material effect on its major federal programs or state financial assistance projects in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal controls over compliance. Accordingly, we do not express an opinion of the effectiveness of Early Learning Coalition of Pinellas County, Inc.'s internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program or state project that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Early Learning Coalition of Pinellas County, Inc.'s internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information of the board of directors, management and the funding sources of Early Learning Coalition of Pinellas County, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Ch. Becht: Hall, L.L.P.

St. Petersburg, Florida
January 19, 2009

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

**Schedule of Findings and Questioned Costs
Federal Programs and State Financial Assistance Projects
Year Ended June 30, 2008**

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Early Learning Coalition of Pinellas County, Inc.
2. No significant deficiencies were disclosed during the audit of the financial statements of Early Learning Coalition of Pinellas County, Inc. in the 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.
3. No instances of noncompliance material to the financial statements of Early Learning Coalition of Pinellas County, Inc. which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No significant deficiencies were disclosed relating to the audit of the major federal award programs and state projects in the Report on Compliance with Requirements Applicable to Each Major Federal Program and State Project and on Internal Controls Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General of the State of Florida.
5. The auditor's report on compliance for the major federal award programs and state projects for Early Learning Coalition of Pinellas County, Inc. expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs and state projects for Early Learning Coalition of Pinellas County, Inc. as reported in Part C of this schedule.
7. The programs tested as major programs/projects was as follows:

| <u>CFDA #</u> | <u>Federal Program</u> |
|---------------|---|
| | U.S. Department of Health & Human Services |
| | <u>Child Care Cluster</u> |
| 93.575 | Child Care and Development Block Grant |
| 93.596 | Child Care Mandatory and Matching Funds of the Child Care and Development Fund |
| <u>CSFA #</u> | |
| 75.007 | Voluntary Pre Kindergarten Education Program |

8. The threshold for distinguishing Types A and B programs/projects was \$747,475 for federal and \$439,330 for state purposes.
9. Early Learning Coalition of Pinellas County, Inc. was considered a low-risk auditee pursuant to OMB Circular A-133.

B. Findings - Financial Statements Audit

None

C. Findings and Questioned Costs - Major Federal Award Programs and State Projects

None

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

**Schedule of Findings and Questioned Costs
Federal Programs and State Financial Assistance Projects
Year Ended June 30, 2008**

D. Management Letter – State Projects

There were no items related to State financial assistance required to be reported in a management letter. Accordingly, no management letter has been issued.

EARLY LEARNING COALITION OF PINELLAS COUNTY, INC.

**Summary Schedule of Prior Year's Audit Findings
And Corrective Action Plan
Year Ended June 30, 2008**

Early Learning Coalition of Pinellas County, Inc. (the Coalition) had no findings reported in the Schedule of Findings and Questioned Costs for the period ended June 30 2007; therefore, the Coalition has no findings in which to report on for the Summary Schedule of Prior Year's Audit Findings.

Early Learning Coalition of Pinellas County, Inc. had no findings reported in the Schedule of Findings and Questioned Costs for the year ended June 30, 2008; therefore, the Organization is not required to prepare a Corrective Action Plan.