Financial Statements

FAMILY FIRST, INC.

December 31, 2024

FAMILY FIRST, INC.

Financial Statements

December 31, 2024

(With Independent Auditor's Report Thereon)

FAMILY FIRST, INC.

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Independent Auditor's Report

The Board of Directors
Family First, Inc.:

Opinion

We have audited the accompanying financial statements of Family First, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family First, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Family First, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Family First, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Family First, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Family First, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Our audit was performed for the purpose of forming an opinion on the financial statements of Family First, Inc. taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Section 215.97 of the Florida Statutes of the Florida Single Audit Act 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 5, 2025 on our consideration of the Family First, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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* in considering Family First, Inc.'s internal control over financial reporting and compliance.

Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP

May 5, 2025
Maitland, Florida

FAMILY FIRST, INC.

Statement of Financial Position

December 31, 2024

Assets

Current assets:	
Cash and cash equivalents	$ 14,021,341
Accounts receivable	1,116,911
Prepaid expenses	54,338
Product inventory	59,557
Total current assets	15,252,147
Property and equipment, net (note 3)	166,451
Right of use assets (note 4)	270,676
Total assets	$ 15,689,274

Liabilities and Net Assets

Current liabilities:	
Accounts payable and accrued expenses	$ 1,337,190
Deferred revenue	150,794
Lease liabilities, current portion (note 4)	99,462
Total current liabilities	1,587,446
Lease liabilities, net of current portion (note 4)	171,214
Total liabilities	1,758,660
Net assets without donor restrictions	13,930,614
Total liabilities and net assets	$ 15,689,274

See accompanying notes to financial statements.

FAMILY FIRST, INC.

Statement of Activities

Year ended December 31, 2024

Net assets without donor restrictions:	
Public Support and Revenues:	
Contributions	$ 8,575,506
Government grants	11,617,128
Registration fees	229,244
License plate donations	205,848
Special events	217,000
Less direct benefit costs to donors	(123,716)
In-kind contributions (note 1)	5,068,128
Investment income	384,716
Other income	188,863
Total revenues	26,362,717
Expenses:	
Program services	21,493,458
Supporting Services:	
Management and general	432,282
Fundraising	1,386,243
Total expenses	23,311,983
Change in net assets	3,050,734
Net assets at beginning of year	10,879,880
Net assets at end of year	$ 13,930,614

See accompanying notes to financial statements.

FAMILY FIRST, INC.

Statement of Functional Expenses

Year ended December 31, 2024

	All Pro Dad	**Family Strengthening/ Adoption Outreach - FL**	**APD Literacy Campaign**	**Family Minute**	**iMom**	**Family First License Plate**	**Product Sales**	**Total Program Services**	**Management and General**	**Fundraising**	**Total**
Salaries and benefits	$ 3,437,766	-	397,900	-	760,305	-	-	4,595,971	387,571	749,058	5,732,600
Accounting and legal	12,009	-	690	-	2,394	-	-	15,093	1,075	2,385	18,553
Advertising	6,816,720	476,526	248,527	-	401,307	6,754	-	7,949,834	-	-	7,949,834
Bank charges and credit card fees	5,586	-	-	-	433	-	1,676	7,695	204	13,689	21,588
Computer consultants and maintenance	113,327	-	-	-	18,192	-	1,465	132,984	8,128	87,829	228,941
Conference and meetings	85,838	-	2,700	-	7,183	-	-	95,721	1,306	64,856	161,883
Depreciation	30,961	-	-	-	8,055	-	-	39,016	2,748	8,147	49,911
Displays and signage	1,663	-	765	-	-	-	-	2,428	-	-	2,428
Dues, books and subscriptions	895	1,500	-	-	178	-	-	2,573	80	178	2,831
Equipment lease	26,226	-	1,822	-	4,730	-	-	32,778	1,027	2,802	36,607
Event facilities	76,318	-	35,605	-	-	-	-	111,923	-	10,458	122,381
In-kind media	4,060,739	-	-	-	1,007,389	-	-	5,068,128	-	-	5,068,128
Insurance	15,833	-	-	-	3,156	-	-	18,989	1,418	3,144	23,551
Licenses and taxes	8,397	-	-	-	1,109	-	-	9,506	498	1,105	11,109
Office lease	74,179	-	6,351	-	10,355	-	-	90,885	4,653	10,316	105,854
Postage and shipping	19,719	50	1,307	-	380	-	7,747	29,203	171	5,359	34,733
Printing and publication	1,590	-	-	-	150	323	-	2,063	67	12,720	14,850
Professional fees	2,276,601	157,609	213,168	360	152,947	9,500	1,730	2,811,915	15,554	229,291	3,056,760
Promotional products	28,869	-	-	-	1,904	1,120	-	31,893	-	16,144	48,037
Repairs and maintenance	11,785	-	-	-	1,963	-	-	13,748	1,055	2,340	17,143
Resource materials	51,345	11,290	83,231	-	138	-	-	146,004	-	260	146,264
Products for sale	-	-	-	-	-	-	23,885	23,885	-	-	23,885
Start-up fees - FFLP	-	-	-	-	-	25,577	-	25,577	-	-	25,577
Staff development	11,064	-	-	-	389	-	-	11,453	175	2,911	14,539
Supplies	18,380	-	1,523	-	4,930	-	790	25,623	1,120	5,156	31,899
Telephone and internet	27,813	-	-	-	4,645	-	-	32,458	2,087	4,628	39,173
Travel	35,353	2,206	10,733	-	9,447	-	4,250	61,989	2,305	128,829	193,123
Website and e-mail	70,232	-	457	1,373	32,061	-	-	104,123	1,040	24,638	129,801
	$ 17,319,208	649,181	1,004,779	1,733	2,433,740	43,274	41,543	21,493,458	432,282	1,386,243	23,311,983

See accompanying notes to financial statements.

FAMILY FIRST, INC.

Statement of Cash Flows

Year ended December 31, 2024

Cash flows from operating activities:	
Change in net assets	$ 3,050,734
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	49,911
Changes in assets and liabilities:	
Accounts and pledges receivable	1,274,528
Product inventory	2,430
Other assets	(20,698)
Accounts payable and accrual expenses	317,248
Deferred revenue	(703,664)
Net cash provided by operating activities	3,970,489
Cash flows from investing activities:	
Purchase of property and equipment	(91,456)
Net cash used in investing activities	(91,456)
Net increase in cash	3,879,033
Cash and cash equivalents at beginning of year	10,142,308
Cash and cash equivalents at end of year	$ 14,021,341

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

(a) Organization and Purpose

Family First, Inc. (the Organization) is a Florida not-for-profit corporation on a mission to provide parenting, marriage and relational truth that helps people love their family well and gives them greater hope for the future.

(b) Basis of Presentation

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the Organization.

The Organization has adopted the provisions of FASB Accounting Standards Codification Topic 958, Not-for-Profit Entities.

Unconditional promises to give (pledges) are recorded as receivables and revenue, and the Organization distinguishes between promises received for each net asset category in accordance with donor restrictions, if any.

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

- Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations.

- Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating those resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulating those resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

(c) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers highly liquid investments in demand deposit accounts, money market accounts and an original maturity of three months or less when purchased to be cash equivalents.

(1) Summary of Significant Accounting Policies (Continued)

(d) Revenue and Revenue Recognition

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

The Organization has adopted Accounting Standards Update (ASU) No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)* as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

A portion of the Organization's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

For the year ended December 31, 2024, the Organization did not have any conditional promises to give.

(e) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value based on quoted market prices. Investments that are measured at fair value on a recurring basis are classified by level based on an established fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. The estimated fair value of alternative investments is based on valuations provided by the external investment managers as of the date of their most recent audited financial statements, which are then adjusted for cash receipts, cash disbursements, securities, distributions, and additional investment gains and losses on the underlying securities through December 31, 2024. The Organization believes the carrying amount of these financial instruments is a reasonable estimate of fair value. Gains and losses on market value adjustments and sales are recognized within the statement of activities. Investment income from restricted investments is reported as increases in unrestricted net assets if the restriction expires in the same reporting period.

(1) Summary of Significant Accounting Policies (Continued)

(f) Contributions

Unconditional promises to give, less an allowance for uncollectible accounts, are recognized as revenues in the period received. Pledges are discounted, using a market discount rate, to present value for collections expected in future years. Accretion of the discount in subsequent years is also recorded as contribution revenue.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, whose restrictions are met in the same reporting period, are reported as unrestricted support.

The Organization reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

(g) Inventories

Inventories of apparel and other items are stated at the lower of cost (first-in, first-out) or market.

(h) Property and Equipment

Property and equipment acquisitions are capitalized at cost when purchased, or at the fair value at the date of gift when donated. Depreciation is calculated using the straight-line method over the estimated useful lives as follows:

Asset	Life
Furniture and fixtures	7 years
Office equipment	5 years
Computer equipment and software	3 years
Leasehold improvements	7 years

(1) Summary of Significant Accounting Policies (Continued)

(i) Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and office and occupancy, salaries and benefits, all are allocated on the basis of estimates of time and effort.

(j) Income Taxes

The Organization follows the provisions of FASB ASC (Accounting Codification) No. 740, Accounting for Uncertainty in Income Taxes. The Organization has not recognized any respective liability for unrecognized tax benefits as it has no known tax positions that would subject the Organization to any material income tax exposure. A reconciliation of the beginning and ending amount of unrecognized tax benefits is not included, nor is there any interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses as there are no unrecognized tax benefits.

The Organization is exempt from federal income tax under provision of Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Consequently, no provision for income taxes has been included in the accompanying financial statements.

Under Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification 740, an entity's income tax returns are subject to examination by the applicable taxing authorities. The time period during which a return may be selected by a taxing authority for examination generally ends at the later of three years after the initial due date of the return or three years after the return is filed. At December 31, 2024, the Organization's tax years that remain subject to examination are 2021 - 2023.

(k) Use of Estimates

Management of the Organization has made certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

(1) Summary of Significant Accounting Policies (Continued)

(l) Fair Value Measurements

ASC 820, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Quoted prices for similar assets in active markets or inputs that are observable.

Level 3 – Inputs that are unobservable and significant to the fair value measurement (i.e., cash flow modeling).

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

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

The Organization did not change its valuation techniques during the year.

(m) Donated Materials

Donated materials are recorded at fair value unless they pass through the Organization to charitable recipients (i.e., books). Donated materials retained by the Organization for use in programs or administration are recorded at their fair values, as increases in unrestricted net assets. During the year ended December 31, 2024, the Organization received donated television and radio airtime, and billboard space valued at $5,068,128.

(1) Summary of Significant Accounting Policies (Continued)

(n) Fair Value of Financial Instruments, Concentration of Business and Credit Risk

The Organization's financial instruments are cash and cash equivalents, accounts receivable, short-term contributions receivable, prepaid expenses and other assets, accounts payable and accrued expenses, and deferred revenue.

The recorded values of cash and cash equivalents, accounts receivable, short-term contributions receivable, prepaid expenses and other assets, accounts payable and accrued expenses, and deferred revenue, approximate fair value based on their short-term nature.

Grants and contracts receivable arise as a result of agreements with third parties to provide specified services. The grants and contracts are monitored on a monthly basis and are not collateralized.

The Organization maintains its cash balances at certain financial institutions in which balances are insured by the Federal Deposit Insurance Corporation up to $250,000. During the year, the Organization from time to time may have had amounts on deposit in excess of the insured limits. Management believes the associated risk is minimized by placing such assets with quality financial institutions. The Organization has not experienced any losses on such accounts.

(o) Long-Lived Assets

The Organization follows the policy of lifting restrictions on contributions of cash and other assets received for the acquisition of long-lived assets when the long-lived assets are acquired.

In accordance with "Property, Plant and Equipment – Impairment or Disposal of Long-Lived Assets," FASB Accounting Standards Codification Topic 360 (Topic 360), long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset be tested for possible impairment, the Organization first compares undiscounted cash flows expected to be generated by an asset to the carrying value of the asset. If the carrying value of the long-lived asset is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market value and third-party independent appraisals, as considered necessary. No impairment charges have been recorded in the accompanying financial statements related to long-lived assets.

(1) Summary of Significant Accounting Policies (Continued)

(p) Subsequent Event

In preparing these financial statements, the Organization has evaluated subsequent events and transactions for potential recognition and disclosure through May 5, 2025, which is the date the financial statements were available to be issued.

(2) Liquidity and Availability

As of December 31, 2024, the Organization has $15,138,252 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure. Financial assets subject to donor or other restrictions that make them unavailable for general expenditure within one year of the balance sheet date were $0 as of December 31, 2024. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects the Organization's financial assets as of December 31, 2024 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date.

Cash and cash equivalents	$ 14,021,341
Accounts receivable	1,116,911
Total financial assets	15,138,252
Financial assets available to meet cash needs for general expenditures within one year	$ 15,138,252

(3) Property and Equipment

Property and equipment consists of the following at December 31, 2024:

Furniture and fixtures	$ 56,088
Office equipment	39,664
Computer equipment and software	194,274
Leasehold improvements	125,379
	415,405
Less accumulated depreciation	(248,954)
	$ 166,451

(4) Leases

The Organization has adopted FASB ASC 842, Leases. The standard establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term.

The Organization elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Company also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the right of use assets.

The following table shows ROU assets and lease liabilities, and the associated financial statement line items as of December 31, 2024:

Lease-Related Assets and Liabilities	
Right-of-use assets:	
Operating leases	$ 270,676
Lease liabilities:	
Operating lease	$ 270,676

Lease liability maturities as of December 31, 2024, are as follows:

	Operating Leases
2025	$ 99,462
2026	106,277
2027	64,937
Total lease payments	$ 270,676

Other Financial Information

FAMILY FIRST, INC.

Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended December 31, 2024

	Federal CFDA No.	Contract Number	Federal Expenditures
Federal Financial Assistance			
Health and Human Services, passed through Texas:			
Department of Family Protective Service	93.669	HHS00113140001	$ 353,668
Passed thru State of Florida - Department of Education			
Student Support and Academic Enrichment	84.424A	29D-2414T-4P001	464,790
Total Federal Financial Assistance			$ 818,458

	State CSFA No.	Contract Number	State Expenditures
State Financial Assistance			
State of Florida Department of Education			
School and Instructional Enhancement Programs	48.068	29D-90170-4Q001 23-24	$ 736,996
School and Instructional Enhancement Programs	48.068	29D-90170-5Q001 24-25	300,000
			$ 1,036,996
State of Florida Department of Children and Families			
Family Strengthening, Public Awareness and			
Adoption Outreach	60.160	LJ219 23-24	811,800
Adoption Outreach	60.160	LJ219 24-25	162,000
			$ 973,800
Responsible Fatherhood Initiative	60.245 & 60.226	LJ213 23-24	$ 4,423,333
Responsible Fatherhood Initiative	60.245 & 60.246	LJ213 24-25	2,865,000
			$ 7,288,333
State of Florida Department of Highway			
Safety and Motor Vehicles			
Family First License Plate	76.075	N/A	$ 177,375
Family First Voluntary Contribution	76.108	N/A	17,774
Total State of Florida Department of Highway and Motor Vehicles			$ 195,149
Total Florida State Financial Assistance			$ 9,494,278
Indiana Department of Child Services			
Father Engagement	17022	54446	$ 337,225
Total Indiana State of Financial Assistance			$ 337,225
Texas Department of Family & Protective Services:			
Texas Education Agency	22/24	A617-23	$ 27,714
Texas Education Agency	24/25	A617-24	282,914
Total Texas State Financial Assistance			$ 310,628
Tennessee Department of Finance and Administration			
Office of Business and Finance	23/24	-	$ 606,065
Total Tennessee State Financial Assistance			$ 606,065

FAMILY FIRST, INC.

Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended December 31, 2024

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the Federal and state grant activity of Family First, Inc. and is presented on the accrual basis of accounting. Family First, Inc. receives Federal and state awards indirectly through pass-through entities. The information in this schedule is presented in accordance with the requirements of the Section 215.97 of the Florida Statutes of the Florida Single Audit Act and Chapter 691.5, Rules of the Florida Department of Financial Services Administrative, Florida Administrative Code, and Schedule of Expenditures of State Financial Assistance.

(2) Major state projects are identified in the Summary of Auditor’s Results Section of the Schedule of Findings and Questioned Costs.

SCHAFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP
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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To the Board of Directors
Family First, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Family First, Inc., which comprise the statement of financial position as of December 31, 2024, 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 May 5, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Family First, Inc.'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 Family First, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Family First, Inc.'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 organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Family First, Inc.'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 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.

Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP

May 5, 2025
Maitland, Florida

SCHAFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP

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Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Directors
Family First, Inc.:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Family First, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Family First, Inc.'s major federal programs for the year ended December 31, 2024. Family First, Inc.'s major federal programs is identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Family First, Inc. 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 December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further describe in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Family First, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Family First, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Family First, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Family First, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate 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 Family First, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP

May 5, 2025
Maitland, Florida

Family First, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

A. Summary of the Audit Results

1. The Auditor's report expresses an unmodified opinion on the financial statements of Family First, Inc.

2. No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements and is reported in the 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*.

3. No instances of noncompliance material to the financial statements of Family First, Inc. were disclosed during the audit.

4. No significant deficiencies or material weaknesses in internal control over the major state projects were disclosed during the audit in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major State Project and on Internal Control Over Compliance in Accordance with the Florida Single Audit Act.

5. The auditor's report on compliance for the major State projects for Family First, Inc. expresses an unqualified opinion.

6. There are no audit findings relative to the major state projects for Family First, Inc.

7. The programs tested as major state projects were the Federal Project CFDA #84.424A - Student Support and Academic Enrichment and State Project CSFA #60.245 - Responsible Fatherhood Initiative.

8. The threshold for distinguishing Types A and B programs was $750,000.

9. The auditee did not qualify as a low-risk auditee.

B. Financial Statement Findings

1. No matters reported.

C. Major State Project Findings and Questioned Costs

1. No matters reported.

D. Summary Schedule of Prior Audit Finding

1. No Summary Schedule of Prior Audit Findings (see AG Rule 10.656(3)(d)(5)) is required because there are no prior audit findings related to state projects.