



Abrams
Foster
Nole &
Williams, P.A.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

**Financial Statements
and
Independent Auditor's Report**

Years Ended June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Family League of Baltimore City, Inc.
Baltimore, MD

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Family League of Baltimore City, Inc. (the Organization) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities and change in net assets, functional expenses, and cash flows for the years 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 League of Baltimore City, Inc. as of June 30, 2024 and 2023, and the change in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. 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 League of Baltimore City, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the 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.

Certified Public Accountants & Business Advisors

Responsibilities of Management for the Financial Statements (Continued)

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 League of Baltimore City, 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, including omissions, 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 League of Baltimore City, 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Family League of Baltimore City, 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.

Supplementary Information

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 Part 200, Uniform Administrative Requirements, 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. 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 or to the financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 March 27, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 the Organization'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 the Organization's internal control over financial reporting and compliance.



Abrams, Foster, Nole & Williams, P.A.
Certified Public Accountants
Baltimore, Maryland

March 27, 2025

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Statements of Financial Position
June 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets		
Cash, cash equivalent and restricted cash	\$ 9,832,150	\$ 10,179,619
Accounts receivable	-	823
Grants receivable	5,974,536	3,129,598
Travel advances	141	-
Prepaid expenses	68,782	37,882
Total current assets	<u>15,875,609</u>	<u>13,347,922</u>
Property and Equipment		
Furniture and fixtures	177,074	177,074
Computer software and hardware	1,293,798	1,162,175
Equipment	16,658	16,658
Leasehold improvements	308,504	308,504
Right of use asset-operating	55,860	381,256
Right of use asset-financing	64,304	-
Total property and equipment	1,916,198	2,045,667
Less: accumulated depreciation	<u>(1,493,900)</u>	<u>(1,340,361)</u>
Net property and equipment	<u>422,298</u>	<u>705,306</u>
Total Assets	<u>\$ 16,297,907</u>	<u>\$ 14,053,228</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 5,748,787	\$ 3,474,135
Accrued expenses	383,233	1,219,810
Accrued salaries and wages	144,235	118,393
Accrued vacation	129,823	132,298
Operating lease liability	56,000	336,000
Finance lease liability	14,061	-
Deferred revenue	5,445,555	4,531,820
Total current liabilities	<u>11,921,694</u>	<u>9,812,456</u>
Non-Current Liabilities		
Operating lease liability, net of current	-	45,256
Finance lease liability, net of current	51,477	-
Total non-current liabilities	<u>51,477</u>	<u>45,256</u>
Total liabilities	<u>11,973,171</u>	<u>9,857,712</u>
Net Assets		
Without Donor Restrictions	4,259,073	4,158,705
With Donor Restrictions	65,663	36,811
Total net assets	<u>4,324,736</u>	<u>4,195,516</u>
Total Liabilities and Net Assets	<u>\$ 16,297,907</u>	<u>\$ 14,053,228</u>

“The accompanying notes are an integral part of the financial statements”

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Statement of Activities and Change in Net Assets
Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2024 Total</u>
Support and Revenue			
Federal direct and passed-through grants	\$ 1,750,455	\$ -	\$ 1,750,455
Other governmental grants	19,580,399	-	19,580,399
Corporate grants, contracts and awards	136,147	300,000	436,147
Contributions	53,219	-	53,219
Fee for service	1,500	-	1,500
Interest income	18,946	-	18,946
Other income	7,500	-	7,500
Total	<u>21,548,166</u>	<u>300,000</u>	<u>21,848,166</u>
Net assets released from restrictions	<u>271,148</u>	<u>(271,148)</u>	<u>-</u>
Total support and revenue	<u>21,819,314</u>	<u>28,852</u>	<u>21,848,166</u>
Expenses			
Program services			
School age and high school programs	13,055,117	-	13,055,117
Early childhood programs	6,739,781	-	6,739,781
Food access programs	562,161	-	562,161
Community small grants	13,750	-	13,750
Total program services	<u>20,370,809</u>	<u>-</u>	<u>20,370,809</u>
Supporting services			
General and administrative	<u>1,348,137</u>	<u>-</u>	<u>1,348,137</u>
Total supporting services	<u>1,348,137</u>	<u>-</u>	<u>1,348,137</u>
Total expenses	<u>21,718,946</u>	<u>-</u>	<u>21,718,946</u>
Increase in net assets	100,368	28,852	129,220
Net assets at beginning of year	<u>4,158,705</u>	<u>36,811</u>	<u>4,195,516</u>
Net Assets at End of Year	<u>\$ 4,259,073</u>	<u>\$ 65,663</u>	<u>\$ 4,324,736</u>

“The accompanying notes are an integral part of the financial statements”

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Statement of Activities and Change in Net Assets
Year Ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>
Support and Revenue			
Federal direct and passed-through grants	\$ 2,328,994	\$ -	\$ 2,328,994
Other governmental grants	20,848,311	-	20,848,311
Corporate grants, contracts and awards	41,223	430,000	471,223
Contributions	32,550	-	32,550
Fee for Service	2,500	-	2,500
Employee Retention Tax Credit	898,620	-	898,620
Other income	14,106	-	14,106
Total	<u>24,166,304</u>	<u>430,000</u>	<u>24,596,304</u>
Net assets released from restrictions	<u>438,452</u>	<u>(438,452)</u>	<u>-</u>
Total support and revenue	<u>24,604,756</u>	<u>(8,452)</u>	<u>24,596,304</u>
Expenses			
Program services			
School age and high school programs	13,051,072	-	13,051,072
Early childhood programs	6,753,302	-	6,753,302
Food access programs	2,160,930	-	2,160,930
Community small grants	200,902	-	200,902
Total program services	<u>22,166,206</u>	<u>-</u>	<u>22,166,206</u>
Supporting services			
General and administrative	<u>1,685,775</u>	<u>-</u>	<u>1,685,775</u>
Total supporting expenses	<u>1,685,775</u>	<u>-</u>	<u>1,685,775</u>
Total expenses	<u>23,851,981</u>	<u>-</u>	<u>23,851,981</u>
Increase (Decrease) in net assets	752,775	(8,452)	744,323
Net assets at beginning of year	<u>3,405,930</u>	<u>45,263</u>	<u>3,451,193</u>
Net Assets at End of Year	<u>\$ 4,158,705</u>	<u>\$ 36,811</u>	<u>\$ 4,195,516</u>

“The accompanying notes are an integral part of the financial statements”

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Statement of Functional Expenses
Year Ended June 30, 2024

	Program Services					Supporting Services	
	School Age and High School Programs	Early Childhood Programs	Food Access Programs	Community Small Grants	Total Program Services	General & Administrative	2024 Total
Salaries and wages	\$ 1,339,339	\$ 229,798	\$ 46,470	\$ -	\$ 1,615,607	\$ 967,408	\$ 2,583,015
Fringe benefits	401,353	68,460	13,941	-	483,754	213,696	697,450
Direct service awards	9,815,363	5,900,926	312,757	12,500	16,041,546	-	16,041,546
Program costs	80,307	41,568	180,128	-	302,003	-	302,003
Consultants	333,595	111,316	-	-	444,911	589,669	1,034,580
Training	74,585	26,396	-	-	100,981	30,994	131,975
Rent	-	-	-	-	-	362,509	362,509
Office supplies and expenses	1,104	496	-	-	1,600	3,743	5,343
Equipment rental and expense	2,540	-	2,282	-	4,821	21,569	26,390
Legal and accounting	-	-	-	-	-	66,586	66,586
Depreciation and amortization	-	-	-	-	-	167,142	167,142
Communication	15,700	3,000	-	-	18,700	38,496	57,196
Printing and duplicating	1,447	-	-	-	1,447	528	1,975
Travel	5,282	220	285	-	5,787	10,179	15,966
Dues and subscriptions	445	-	-	-	445	109,798	110,243
Insurance	-	-	-	-	-	43,701	43,701
Advertising	-	-	-	-	-	325	325
Fees	-	-	-	-	-	42,295	42,295
Interest expense	-	-	-	-	-	2,796	2,796
Other expenses	-	-	-	-	-	1,076	1,076
Storage	-	-	-	-	-	24,353	24,353
Postage	-	-	-	-	-	480	480
Sub total	12,071,060	6,382,180	555,863	12,500	19,021,603	2,697,343	21,718,946
Indirect Cost Allocation	984,057	357,601	6,298	1,250	1,349,206	(1,349,206)	-
Total expenses	<u>\$ 13,055,117</u>	<u>\$ 6,739,781</u>	<u>\$ 562,161</u>	<u>\$ 13,750</u>	<u>\$ 20,370,809</u>	<u>\$ 1,348,137</u>	<u>\$ 21,718,946</u>

“The accompanying notes are an integral part of the financial statements”

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Statement of Functional Expense
Year Ended June 30, 2023

	<u>Program Services</u>					<u>Supporting Services</u>	
	<u>School Age and High School Programs</u>	<u>Early Childhood Programs</u>	<u>Food Access Programs</u>	<u>Community Small Grants</u>	<u>Total Program Services</u>	<u>General & Administrative</u>	<u>2023 Total</u>
Salaries and wages	\$ 942,128	\$ 380,217	\$ 128,521	\$ -	\$ 1,450,866	\$ 1,507,875	\$ 2,958,741
Fringe benefits	282,374	113,779	40,796	-	436,949	375,001	811,950
Direct service awards	10,544,740	5,796,523	349,999	188,750	16,880,012	-	16,880,012
Program costs	39,202	18,252	1,534,213	-	1,591,667	-	1,591,667
Consultants	152,643	62,975	2,700	-	218,318	377,886	596,204
Training	56,026	20,508	-	5,460	81,994	23,886	105,880
Rent	-	-	-	-	-	355,401	355,401
Office supplies and expenses	552	449	337	-	1,338	6,429	7,767
Equipment rental and expense	6,656	-	-	-	6,656	45,242	51,898
Legal and accounting	-	-	-	-	-	66,676	66,676
Depreciation and amortization	-	-	-	-	-	150,795	150,795
Communication	16,300	5,000	2,400	-	23,700	40,276	63,976
Printing and duplicating	5,427	535	84	-	6,046	873	6,919
Travel	6,217	5,930	1,072	-	13,219	12,610	25,829
Dues and subscriptions	316	-	300	-	616	58,710	59,326
Temporary help	-	-	26,116	-	26,116	7,031	33,147
Insurance	-	-	-	-	-	34,340	34,340
Advertising	-	-	-	-	-	308	308
Fees	-	-	-	-	-	29,591	29,591
Other expenses	-	-	-	-	-	6,852	6,852
Storage	-	-	-	-	-	13,978	13,978
Postage	-	-	-	-	-	724	724
Sub total	<u>12,052,581</u>	<u>6,404,168</u>	<u>2,086,538</u>	<u>194,210</u>	<u>20,737,497</u>	<u>3,114,484</u>	<u>23,851,981</u>
Indirect Cost Allocation	<u>998,491</u>	<u>349,134</u>	<u>74,392</u>	<u>6,692</u>	<u>1,428,709</u>	<u>(1,428,709)</u>	<u>-</u>
Total expenses	<u>\$ 13,051,072</u>	<u>\$ 6,753,302</u>	<u>\$ 2,160,930</u>	<u>\$ 200,902</u>	<u>\$ 22,166,206</u>	<u>\$ 1,685,775</u>	<u>\$ 23,851,981</u>

“The accompanying notes are an integral part of the financial statements”

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ 129,220	\$ 744,323
Adjustments to reconcile change in net assets to cash (used) provided by operating activities:		
Depreciation and amortization	167,142	150,795
ROU asset addition and reduction	313,027	-
Changes in assets and liabilities		
(Increase) decrease in assets		
Accounts receivable, net	823	23,057
Grants receivable	(2,844,938)	4,988,817
Travel advances	(141)	104
Prepaid expenses	(30,900)	(12,239)
Increase (decrease) in liabilities		
Accounts payable	2,274,652	(1,056,350)
Accrued salaries and wages	(836,577)	(449,943)
Accrued vacation	25,842	(14,781)
Accrued expenses	(2,475)	(1,607)
ROU operating lease	(325,256)	-
Deferred revenue	913,735	2,323,549
Total adjustments	<u>(345,066)</u>	<u>5,951,402</u>
Net cash (used) provided by operating activities	<u>(215,846)</u>	<u>6,695,725</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	<u>(131,623)</u>	<u>(113,353)</u>
Net cash (used) for investing activities	<u>(131,623)</u>	<u>(113,353)</u>
Net (decrease) increase in cash	(347,469)	6,582,372
Cash, cash equivalents and restricted cash at beginning of year	<u>10,179,619</u>	<u>3,597,247</u>
Cash, Cash Equivalents and Restricted Cash at End of Year	<u><u>\$ 9,832,150</u></u>	<u><u>10,179,619</u></u>
Supplemental Disclosure		
Cash paid for Interest	<u><u>\$ 2,796</u></u>	<u><u>\$ -</u></u>

“The accompanying notes are an integral part of the financial statements”

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

1. NATURE OF ACTIVITIES

Family League of Baltimore City, Inc. (the Organization) is a 501(c)(3) nonprofit that was incorporated in the state of Maryland in April 1991. The Organization supports data-informed, community-driven solutions that align resources to dismantle the systemic barriers which limit the possibilities for children, families, and communities. The Organization carries out its' mission through management and oversight of the work of its' partners, oversight of the Local Care Team (LCT) for Baltimore, programs that focus on education, and child, youth and family support, and advocating for public policy that insures children and families in the City of Baltimore are thriving.

The Organization currently has projects/initiatives operating to serve the needs of children and families in the areas of child and maternal health, education, youth development, food access, and child welfare. An overview of FY24 projects and initiatives include:

Child and Maternal Health

B'More for Healthy Babies

Family League of Baltimore plays a pivotal role in the B'more for Healthy Babies (BHB) initiative, which aims to improve birth and early childhood outcomes in Baltimore. Through their support of the Healthy Families America (HFA) evidence-based home visiting model, Family League provides trauma-informed, strengths-based family support services. These services are crucial in addressing the holistic needs of families, many of whom face inequitable access to supports. Family League's efforts are also focused on two Baltimore neighborhoods: Upton/Druid Heights and Patterson Park North and East.

Education

School Readiness

School Readiness initiatives support young people's success by working intentionally and collaboratively with stakeholders (including parents) to ensure young children have the necessary skills, knowledge, and abilities upon entering Kindergarten.

Family League serves as the co-lead along with Baltimore City Public Schools and the Baltimore City Child Care Coalition for the Early Childhood Advisory Council (ECAC), recognized by the Maryland State Department of Education as the single early childhood body in Baltimore City responsible for: conducting regular needs assessments of the quality and availability of early childhood programs, increasing participation in existing programs, and participating in family engagement efforts.

In addition, Family League supports the *Children Enter School Ready to Learn* initiative, in collaboration with funded partner, Improving Education which focuses on building the capacity of early learning staff to support school readiness outcomes.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

1. NATURE OF ACTIVITIES (Continued)

Education (continued)

Family League also supports 3 community-based organizations to operate Home Instruction for Parents of Preschool Youngsters (HIPPY), evidence-based programming in 3 communities (West, East, and South Baltimore). This program utilizes a home visit structure to support parents as their child's first teacher. Through intentionally engaging parents in early learning curriculum, parents can then teach their children. In FY24, community-based partners, Park Heights Renaissance, University of Maryland Baltimore County, and Learning How enrolled 109 families.

Through our partnership with Hoffberger Family Philanthropies, Family League supported Workforce Development that gave HIPPY parents access to training and capacity building to support workforce development.

Community Schools & OST Programming

Family League serves as a facilitating partner for the Community School strategy in partnership with Baltimore City Public Schools, The Mayor's Office, and the Baltimore City Council. The Baltimore Community School Strategy is composed of two critical components: Community Schools and Out-of-School (OST) programs.

A Community School is an integrated and multidisciplinary strategy to promote student and community success. The purpose of the Community School Strategy is to ensure all students in Baltimore City Public Schools are learning and succeeding through an integrated focus on academics, health and social services, child and community development, college and career readiness, and family and community engagement. The CS Strategy is an evidence-based approach to addressing inequities in areas of concentrated poverty. All stakeholders come together to build relationships and power to challenge systems that perpetuate inequities while creating positive school climates that facilitate learning, growth, and strong, vibrant families and communities. In FY24, Family League granted dollars to 7 funded partners to operate in 9 community schools providing wrap-around support to thousands of youth and families across Baltimore City.

Out-of-School Time (OST): Out-of-school Time (OST) is an integral part of the Community School (CS) Strategy in Baltimore. OST is a program providing before, after-school, weekend, and/or summer learning opportunities for children at a Community School that uses a youth development lens to enhance the core academic program of the Community School and is aligned with classroom learning.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

1. NATURE OF ACTIVITIES (Continued)

Community Schools & OST Programming (continued)

OST programs provide students with the opportunity to explore new ideas, build 21st-century skills, find new talents, and experience success. In FY24, Family League granted 23 community-based organizations (funded partners) with resources to support 55 OST programs in 55 community schools. A total of 3,468 students in grades K-12 were served. In addition to school year OST programming, Family League granted resources to 6 Family League-funded partners who served a total of 344 youth in summer programming.

In FY24, in partnership with Baltimore City Public Schools, Family League planned, implemented, and provided oversight to a comprehensive professional development plan for over 150 Community School Coordinators across Baltimore City. Community School Coordinators participated in over 35 hours of professional development throughout the year. In addition to bimonthly training which provides Coordinators an opportunity to network, share resources, and learn new content, Family League hosted Summer Institute (June 2024). Summer Institute is a multi-day professional development experience. All Community School workshops are aligned to Community School national models, standards, and competencies

Youth Development

Community-Based Youth Development Programming

Family League supported 21 Expanded Youth Programs serving youth and young adults, Pre-K - age 24 operating in mostly community-based settings. A total of 1564 youth and young adults participated in diverse single-focused and comprehensive programs. Additionally, 2,159 youth participated in diverse programming in dozens of recreation centers across Baltimore City in partnership with Baltimore City Recreation and Parks.

Child Welfare

Interagency Supports

The Family Stability Program (FSP) consists of clinicians, student interns, and staff using an antiracist lens and the racially-just interventions of the SHARP Model as they collaborate with parents, caregivers, and families to assist them in meeting their basic needs and in some cases supporting the family through emergency utility service needs. The program works as a family preservation, stability, and neglect prevention service provider in Baltimore City.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

1. NATURE OF ACTIVITIES (Continued)

Child Welfare (continued)

Interagency Supports (continued)

The Family Recovery Program (FRP) aligns parents with the treatment services, community resources, and a safe and supportive environment to rebuild, reinvest, and reunify with their child(ren). The work of the FRP as the Family Dependency Court for Baltimore City focuses on reducing a child's length of stay within the foster care system by providing a full range of services to the family.

The Thriving Youth portfolio at Family League of Baltimore encompasses several impactful programs aimed at supporting and empowering youth in the community. This portfolio includes the Baltimore Brothers, KEYS Empowers, The Choice Program, the Mayor's Office of African American Male Engagement (MOAMME), and New Vision Youth Services.

Family League oversees the work of the Baltimore City Local Care Team (LCT), a group of leaders within local agencies, direct service providers, and stakeholders that come together to offer navigation supports and resource recommendations for youth and families with children that have intensive care needs. The LCT is vital to supporting the healthy and safe development of children by diverting youth from out-of-state placements with the provision of timely and effect resources recommendations that are available within the youth's community.

Special Projects

Adaptive Village Small Community Grants – In collaboration with Morgan State University, Family League of Baltimore is working to award \$90,000 in small grants to non-profit and community-based organizations in Baltimore City. Applications for this program will be available in FY25 and scored by the community advisory board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements of the Organization are prepared in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as the source of authoritative accounting principles generally accepted in the United States of America on the accrual basis of accounting with a fiscal year ending June 30.

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Notes to Financial Statements
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Basis of Presentation

The Organization is required to report its financial statements in accordance with Accounting Standards Board's Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in the financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with United States generally accepted accounting principles. Net assets, revenues, expenses, gains and losses are reported 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 restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

The Organization's net assets with donor restrictions was \$65,663 and \$36,811 as of June 30, 2024 and 2023, respectively.

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Notes to Financial Statements
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Cash, cash equivalents and restricted cash

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

The Organization adopted the requirements in accordance with Accounting Standards Board's Accounting Standards Update No. 2016-18-*Not-for-Profit Entities (Topic 230): Classification of Certain Cash Receipts and Cash Payments* (ASU 2016-18). This update addresses diversity in presentation of the Statements of Cash Flows. Cash, cash equivalents, restricted cash, and restricted cash equivalents that are presented in more than one line on the statements of financial position are now required to either be presented on the face of the statements of cash flows or disclosed in the notes to the financial statements.

As of June 30, 2024 and 2023, cash, cash equivalents and restricted cash on the Statements of Financial Position are as:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 9,631,541	\$ 10,131,646
Cash held in investments	<u>200,609</u>	<u>47,973</u>
Total cash, cash equivalents	<u>\$ 9,832,150</u>	<u>\$ 10,179,619</u>

C. Accounts and Grants Receivable

Accounts and grants receivable are recorded upon accrual of revenue earned based upon fulfillment of grant terms and conditions by the Organization, less an allowance for doubtful accounts. For the years ended June 30, 2024 and 2023, management has not recorded an allowance for doubtful accounts as the Organization deems all accounts fully collectible.

D. Revenue Recognition

A major portion of the support for the Organization was provided by grants from the Maryland State Department of Education and City of Baltimore. These funds are recognized as revenue when the conditions for revenue recognition has been met.

Contributions received by the Organization are treated as net assets without donor restrictions, unless restricted by the donor.

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Notes to Financial Statements
June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Income Taxes

Under the provisions of Section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from Federal and state income taxes, except for unrelated business income, if any. Accordingly, no provision for income taxes has been made in the accompanying financial statements. An informational tax return Form 990 is filed annually.

The Internal Revenue Service has not examined (audited) any income tax returns of the Organization; thus, the previous three years are subject to examination. The Organization has not taken any questionable tax positions.

F. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

G. Functional Allocation of Expenses

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

H. Concentration of Revenue Sources

Approximately 96 percent of the Organization's revenue is derived from grants from local, state and federal governments and passed through to nonprofit organizations. There is an administrative fee assessed to each grant ranging from 10 to 14 percent. The level of the Organization's operations and program services will be impacted or segments discontinued if funding is not provided as scheduled.

I. Advertising

All advertising costs are expensed as incurred. The Organization's advertising expenses were \$325 and \$308 for the years ended June 30, 2024 and 2023, respectively.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Property and Equipment

Property and equipment purchased in excess of \$1,000, with an estimated useful life of more than one year are capitalized at cost and depreciated over the estimated useful lives of the assets using the straight-line method once the asset is placed into service. Gifts of long-lived assets are recorded at their fair values when donated. Expenditures for minor repairs are expensed as incurred. Depreciation and amortization expense for the years ended June 30, 2024 and 2023 was \$167,142 and \$150,795, respectively.

K. Commitments and Contingencies

The Organization is currently engaged in a contract dispute with a leasing company in which contained discrepancies. Although the outcome may be more than remote but less than likely, the potential range of loss if any, is estimated at \$0 to \$40,000. No accrual has been recorded as the likelihood of a loss is not determined probable as of June 30, 2024.

L. Deferred Revenue

Deferred revenue is primarily related to State and local governmental and foundation grants that have advanced funds to the Organization. Revenue will be recognized once services are rendered and costs incurred under the conditions of the grants. Deferred revenue for the years ended June 30, 2024 and 2023 was \$5,445,555 and \$4,531,820, respectively.

3. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 9,832,150	\$ 10,179,619
Accounts receivable	-	823
Grants receivable	<u>5,974,536</u>	<u>3,129,598</u>
Total financial assets	15,806,686	13,310,040
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>(65,663)</u>	<u>(36,811)</u>
Financial assets available to meet general expenses over the next twelve months	<u>\$ 15,741,023</u>	<u>\$ 13,273,229</u>

The Organization's policy is to structure its financial assets to be available for its general expenditures, liabilities and other obligations as they come due. To help manage unanticipated liquidity needs, the Organization has a \$4,000,000 line of credit available for use.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

4. FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash in several financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) for a maximum of \$250,000 for all account types per depositor. The risk is managed by maintaining all deposits in high quality financial institutions. At June 30, 2024 and 2023, the Organization had \$9,381,541 and \$9,881,646, respectively, in cash accounts exceeding the FDIC coverage limitation. The Organization has not experienced any losses in such accounts.

5. LINE OF CREDIT

The Organization maintains a line of credit with a financial institution under which it can borrow up to \$4,000,000 as mentioned in Note 3 with an expiration date of February 28, 2025. The line of credit bears interest at the higher (A) the Prime Rate, and (B) the sum of the Overnight Bank Funding Rate plus 50 basis points.

6. CONTRIBUTIONS AND GRANTS

The Organization reports gifts of cash and other assets as without donor restricted support available for general operations unless specifically restricted by the donor. When a donor-imposed restriction expires, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities and change in net assets as net assets released from restrictions.

7. ACCOUNTS AND GRANTS RECEIVABLE

Accounts and grants receivable as of June 30, 2024 and 2023 consisted of reimbursements due from Organization administrative fees for service and grant contributions made in 2024 that were received subsequent to the year ended. Accounts and grants receivable are as follows:

	<u>2024</u>	<u>2023</u>
Accounts Receivable	\$ -	\$ 823
Grants Receivable	<u>5,974,536</u>	<u>3,129,598</u>
Total	<u>\$ 5,974,536</u>	<u>\$ 3,130,421</u>

There is no allowance for doubtful accounts at June 30, 2024 and 2023, respectively. The Organization has determined all receivables to be fully collectible.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

8. COMPLIANCE WITH GRANTOR RESTRICTIONS

Financial assistance from Federal, State, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

9. DEFINED CONTRIBUTION PLAN

The Organization has a defined contribution plan available to all eligible employees. The Organization contributes five percent of eligible employee salaries to the plan. Individual employees are not required to contribute to the plan. For the years ended June 30, 2024 and 2023, the Organization contributed \$103,458 and \$128,989, respectively to the plan.

10. LEASES

The Organization recognizes leases under the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2020-05, as Right-Of-Use (ROU) assets and lease liabilities for lease terms greater than 12 months or leases that contain a purchase option that is reasonably certain to be exercised. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

The Organization's ROU assets and lease liabilities primarily relate to office space rental and a copier from third parties from which business operations are conducted. None of the lease agreements contain material residual value guarantees or material restrictions or covenants. Long-term leases (leases with terms greater than 12 months) are recorded as liabilities at the present value of the minimum lease payments not yet paid. The Organization uses the treasury rate at lease inception as its incremental borrowing rate to determine the present value of the leases when the rate implicit in the leases is not readily determinable. Operating leases will result in straight-line expense, while finance leases will result in a front-loaded expense pattern with interest expense is recorded based on the periodic discount rate.

ROU operating lease: The Organization maintains an operating lease for office space through August 31, 2024. On June 17, 2024, the Organization renewed its space rental agreement on a monthly basis through December 31, 2024 for monthly rent payments in the amount of \$25,000.

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Notes to Financial Statements
June 30, 2024 and 2023

10. LEASES (Continued)

Future minimum payments under the agreement as of June 30, 2024, are as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2025	\$ 56,000
Total	56,000
Less: present value discount	<u>(140)</u>
Total present value of Right of Use asset and liability	<u>\$ 55,860</u>

For the year ended June 30, 2024, amount charged to rent expense was \$362,509.

ROU finance lease: On August 2, 2023, the Organization entered into a sixty-three month copier lease which qualified as a ROU finance lease based on the useful life of the asset.

The following table provides quantitative information concerning the Organization's finance lease:

	ROU Assets
Finance lease expense	
Amortization of ROU asset- finance lease	\$ 13,603
Interest on lease liabilities	<u>2,796</u>
Total	<u>\$ 16,399</u>
Right of use asset obtained in exchange for new lease liability	76,529
Weighted-average remaining in years for finance lease	4.33
Weighted-average discount rate for finance lease	4.30%

Maturity Analysis

Years ending June 30

2025	\$ 16,545
2026	16,545
2027	16,545
2028	16,545
2029	<u>5,514</u>
Total undiscounted cash flows	\$ 71,694
Less: present value discount	<u>(6,156)</u>
Total lease liabilities	<u>\$ 65,538</u>

Total interest expense for the year ended June 30, 2024 was \$2,796.

FAMILY LEAGUE OF BALTIMORE CITY, INC.

Notes to Financial Statements

June 30, 2024 and 2023

11. RELATED PARTY TRANSACTIONS

During the normal course of business, the Organization contracts with a variety of service providers in the Baltimore-Metropolitan area. On occasion, requests for proposals are issued by the Organization and replies are received by companies who have members serving on the Organization's Board of Directors. When this situation arises, the Board member's application is treated as an "arm's length transaction." Board members with funding requests pending are ineligible to vote on matters where they maintain a direct financial interest. Also, the Board members are not able to vote on the funding of other organizations with whom they are competing. At the beginning of each fiscal year, all Board members must also sign a conflict of interest statement. There were no related party transaction for the years ended June 30, 2024 and 2023.

12. SUBSEQUENT EVENTS

In accordance with Financial Accounting Standards Board Accounting Standards Codification ASC 855, management has evaluated subsequent events through the date the financial statements were available to be issued on March 27, 2025, and determined there were no material transactions to disclose.

SUPPLEMENTARY INFORMATION

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass-Through Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Pass-through Maryland State Department of Education Child and Adult Care Food Program	10.558	347224	\$ 180,128	\$ 249,405
Total U.S. Department of Agriculture			<u>180,128</u>	<u>249,405</u>
U.S. Department of Health and Human Services				
Pass-through Baltimore City Health Department Maternal, Infant, and Early Childhood Home Visiting Cluster Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870	FHD39MIC	<u>724,752</u>	<u>1,003,002</u>
Total U.S. Department of Health and Human Services			<u>724,752</u>	<u>1,003,002</u>
Title V Maternal and Child Health				
Pass-through Baltimore City Health Department Maternal, Infant and Early Childhood Home Visiting Grant Program	93.994	FHC69CHS	<u>189,964</u>	<u>208,960</u>
Total Title V Maternal and Child Health			<u>189,964</u>	<u>208,960</u>
U.S. Administration of Children and Youth				
Pass-through Baltimore City Health Department B'More for Healthy Babies Program	93.493	GRT001872	<u>265,910</u>	<u>289,088</u>
Total U.S. Administration of Children and Youth			<u>265,910</u>	<u>289,088</u>
Total Expenditures of Federal Awards			<u>\$ 1,360,754</u>	<u>\$ 1,750,455</u>

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Organization under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the 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).

Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, change in net assets or cash flows of the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Expenditures reported on the Schedule 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. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.
- b. The Organization has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**GOVERNMENT AUDITING STANDARDS 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**



Abrams
Foster
Nole &
Williams, P.A.

**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**

Independent Auditor's Report

To the Board of Directors
Family League of Baltimore City, Inc.
Baltimore, MD

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 Family League of Baltimore City, Inc. (the Organization) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and the related statements of activities and change in net assets, 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 March 27, 2025.

Internal Control over Financial Reporting

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

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

Certified Public Accountants & Business Advisors

Internal Control over Financial Reporting (Continued)

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

Compliance and Other Matters

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



Abrams, Foster, Nole & Williams, P.A.
Certified Public Accountants Baltimore,
Maryland

March 27, 2025

**SINGLE AUDIT REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**



Abrams
Foster
Nole &
Williams, P.A.

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board of Directors
Family League of Baltimore City, Inc.
Baltimore, MD

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Family League of Baltimore City, Inc.'s (the Organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2024. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 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 Awards (Uniform Guidance)*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 a legal determination the Organization's compliance with the compliance requirements referred to above.

Certified Public Accountants & Business Advisors

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 the Organization'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 the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance and is 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 judgment made by a reasonable user of the report on compliance about the Organization'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 the Organization'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 the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization'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 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 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.



Abrams, Foster, Nole & Williams, P. A.
Certified Public Accountants Baltimore,
Maryland

March 27, 2025

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FAMILY LEAGUE OF BALTIMORE CITY, INC.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I – Summary of Auditor’s Results (Continued)

Identification of major programs:

<i>Assistance Listing Number(s)</i>	<i>Name of Federal Program or Cluster</i>
93.870	Maternal, Infant and Early Childhood
	Home Visiting Grant
93.493	Congressional Directives
93.994	Maternal and Child Health Services
	Block Grant to the States

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 Statements Findings

No Findings.

Section III – Federal Award Findings and Questioned Costs

No Findings.

Section IV – Summary Schedule of Prior Audit Findings

No Findings.



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