Connecticut Network for Children and Youth, Inc.

Financial Statements and
State Single Audit Schedules
Together With Independent Auditors' Reports

June 30, 2025 and 2024

Connecticut Network for Children and Youth, Inc.

Financial Statements and State Single Audit Schedules
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June 30, 2025 and 2024

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Directors
Connecticut Network for Children and Youth, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Connecticut Network for Children and Youth, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2025, 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 present fairly, in all material respects, the financial position of the Organization, as of June 30, 2025, 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 ("GAAS") 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, 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 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.

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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditors' 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 auditors' 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 GAAS and *Government 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 GAAS and *Government 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 the Organization'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 the Organization'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 21, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 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.

PKF O'Connor Davies, LLP

November 10, 2025

Connecticut Network for Children and Youth, Inc.

Statement of Financial Position
June 30, 2025
(with comparative amounts at June 30, 2024)

	2025	2024
ASSETS		
Cash	$ 1,473,082	$ 474,362
Grants receivable	240,733	575,247
Prepaid expenses	7,653	12,722
Security deposit	4,019	4,019
Operating lease right of use asset, net	255,625	293,689
Furniture and equipment, net	1,330	2,268
	$ 1,982,442	$ 1,362,307
LIABILITIES AND NET ASSETS		
Accounts payable	$ 32,950	$ 150,806
Accrued expenses	45,422	38,740
Refundable advances	324,797	201,223
Operating lease liability	261,167	295,194
Total Liabilities	664,336	685,963
Net Assets Without Donor Restrictions		
Designated for operations	1,318,106	676,344
	$ 1,982,442	$ 1,362,307

See Notes to Financial Statements

Connecticut Network for Children and Youth, Inc.

Statement of Activities
Year Ended June 30, 2025
(with comparative totals for the year ended June 30, 2024)

	2025	2024
REVENUE AND SUPPORT		
Grants and support fees	$ 5,571,367	$ 2,372,808
Conference and workshop fees	143,472	58,986
Other income	41	463
Consulting	3,800	4,200
Contributions	105,308	76,150
Total Revenue and Support	5,823,988	2,512,607
EXPENSES		
Program services	4,979,290	2,569,632
Management and general	189,665	114,592
Fundraising	13,271	18,341
Total Expenses	5,182,226	2,702,565
Change in Net Assets	641,762	(189,958)
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Beginning of year	676,344	866,302
End of year	$ 1,318,106	$ 676,344

See Notes to Financial Statements

Connecticut Network for Children and Youth, Inc.

Statement of Functional Expenses
Year Ended June 30, 2025
(with summarized totals for the year ended June 30, 2024)

	Program Services	Management and General	Fundraising	Total Expenses 2025	Total Expenses 2024
Salaries and wages	$ 1,012,301	$ 94,544	$ 10,505	$ 1,117,350	$ 895,655
Grants to other organizations	2,859,716	-	-	2,859,716	1,088,419
Payroll taxes and benefits	182,091	24,895	2,766	209,752	145,550
Training and conferences	91,634	-	-	91,634	145,072
Communications	247,099	-	-	247,099	60,000
Program contracts	357,423	-	-	357,423	153,455
Travel	37,117	3,849	-	40,966	48,113
Telecommunications and website	20,408	2,333	-	22,741	9,977
Occupancy	55,708	-	-	55,708	34,390
Miscellaneous	40,340	11,225	-	51,565	23,436
Amortization	-	-	-	-	4,583
Depreciation	-	938	-	938	547
Supplies and office expenses	40,660	18,764	-	59,424	43,556
Printing	32,844	2,538	-	35,382	31,917
Professional fees	-	22,237	-	22,237	10,450
Insurance	-	6,444	-	6,444	4,213
Postage	402	63	-	465	794
Dues and subscriptions	1,547	1,835	-	3,382	2,438
Total Expenses	$ 4,979,290	$ 189,665	$ 13,271	$ 5,182,226	$ 2,702,565

See Notes to Financial Statements

Connecticut Network for Children and Youth, Inc.

Statement of Cash Flows
Year Ended June 30, 2025
(with comparative totals for the year ended June 30, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 641,762	$ (189,958)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	938	5,130
Amortization of operating lease right of use assets	38,064	(14,395)
Changes in operating assets and liabilities		
Grants receivable	334,514	(558,173)
Prepaid expenses	5,069	(5,539)
Accounts payable	(117,856)	146,366
Accrued expenses	6,682	16,094
Operating lease liability	(34,027)	15,900
Refundable advance	123,574	(164,679)
Net Cash from Operating Activities	998,720	(749,254)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture and equipment	-	(2,815)
CASH		
Beginning of year	474,362	1,226,431
End of year	$ 1,473,082	$ 474,362

See Notes to Financial Statements

1. Organization

Connecticut Network for Children and Youth, Inc., (the "Organization"), is a charitable nonprofit corporation incorporated in 1990. CASN was formed to provide Connecticut children with the opportunity to participate in high-quality, affordable, after school programs. The Organization provides leadership, education and advocacy for excellence in the after-school field by building professionalism, strengthening program quality, and increasing availability and affordability. The Organization conducts workshops and provides resources for professionals and advocates in Connecticut to increase funding to after school programs. Effective July 1, 2022 the Organization is the home of three initiatives; CASN, SEL4CT – the social emotional learning alliance for Connecticut, and the Connecticut Children's Collective.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Net Asset Presentation

Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Brief definitions of the two net asset classes are presented below:

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 objective of the Organization. Net assets without donor restrictions consist of all resources of the Organization which are expendable for daily operations.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature or satisfied by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be held in perpetuity. The Organization does not have any net assets with donor restrictions.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. Summary of Significant Accounting Policies *(continued)*

Cash

The cash balance varies throughout the year but is generally fully insured by the Federal Deposit Insurance Corporation ("FDIC").

Intangible Assets

Intangible assets with a cost of $5,000 or more are capitalized at cost. Amortization is computed based on the estimated useful life of the asset using the straight-line method. Intangible assets consist of website development costs being amortized over a three-year useful life with a cost of $86,000 as of June 30, 2025 and 2024. The amount of amortization charged during the year ended June 30, 2025 and 2024 was $0 and $4,583. Accumulated amortization of these website development costs was $86,000 at June 30, 2025 and 2024.

Furniture and Equipment

Furniture and equipment with a cost of $1,500 or more are capitalized at cost. Donated assets are capitalized at the approximate fair value at the date of donation. Depreciation is computed based on the estimated useful life of the asset using the straight-line method. As of June 30, 2025 and 2024, furniture and equipment had a cost of $17,017 and accumulated depreciation of $15,687 and $14,749.

Grants and Support Fees

A portion of the Organization's revenue is derived from cost-reimbursable state 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 the specific contract or grant provisions.

Refundable Advances

The Organization records certain grant revenue as refundable advances until related services are performed, at which time they are recognized as revenue. Refundable advances were $365,902 at July 1, 2023.

Contributions

Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. If no donor restrictions exist or if the donor restrictions expire during the reporting period in which the support is recognized, the donation is recorded as an increase in net assets without donor restrictions. All other donor-restricted support is reported as net assets with donor restrictions. When a restriction expires the amounts are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

Donated Assets and Services

The Organization recognizes donated assets and services if they receive or enhance nonfinancial assets or require specialized skills and would typically be purchased if not provided by donation. There were no donated assets or services for the years ended June 30, 2025 and 2024.

2. Summary of Significant Accounting Policies *(continued)*

Leases

The Organization leases property under a non-cancelable operating lease. The lease is presented as an operating lease right of use ("ROU") asset and operating lease liability on the Organization's statement of financial position. The operating lease ROU assets represent the Organization's right to control the use of an underlying asset for the lease term and the lease liability represents the Organization's obligation to make lease payments arising from the lease. The operating lease ROU asset and liability are recognized at the lease commencement date based on the present value of future lease payments. If available, the Organization uses the rate implicit in the lease to discount lease payments to present value; however, the Organization's current lease does not provide a readily determinable implicit rate. Therefore, the Organization has elected to discount lease payments based on an estimate of its incremental borrowing rate. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Functional Expenses

The Organization allocates its expenses on a functional basis between its programs and support services as follows:

- Direct costs are costs that can be specifically identified with a program or activity. These are charged to the respective program or activity.

- Costs that can be specifically identified with more than one program or activity are allocated between the benefiting programs or activities based on time incurred.

- Administrative and general costs that cannot be specifically identified with a program, are allocated based on estimates made by management. Payroll, benefits and insurance costs are allocated based on time spent by employees on program and management activities.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). Accordingly, no provision for income taxes has been made in the financial statements. The Organization has not been designated as a private foundation by the Internal Revenue Service.

The Organization recognizes the effect of income tax positions only if these positions are more likely than not to be sustained. Management believes that the Organization has no tax positions that would require financial statement recognition or disclosure. The Organization is no longer subject to examination by the applicable tax jurisdictions for periods prior to June 30, 2022.

Reclassification

Certain prior year expense items were reclassed to conform to the current year presentation. This had no effect on net assets.

2. Summary of Significant Accounting Policies *(continued)*

Concentration of Credit Risk

Financial instruments that potentially expose the Organization to concentrations of credit and market risk consist primarily of cash. At June 30, 2025, the uninsured balance is approximately $900,000.

One grant accounted for 73% and 59% of grant revenue for the years ended June 30, 2025 and 2024. Grants may be subject to reduction or termination in future years. Any significant reduction could have a negative impact on the Organization's program services.

Three grants account for 100% of grants receivable at June 30, 2025. Two grants accounted for 98% of grants receivable at June 30, 2024.

Prior Year Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by natural expense for each functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements as of and for the year ended June 30, 2024, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 10, 2025**.**

3. Retirement Plan

The Organization provides retirement benefits to its employees through a defined contribution plan covering all full-time employees. Contributions are discretionary. The Organization contributed $27,456 and $20,127 during the years ended June 30, 2025 and 2024.

4. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, are as follows:

	2025	2024
Cash	$ 1,473,082	$ 474,362
Grants receivable	240,733	575,247
	$ 1,713,815	$ 1,049,609

The Organization monitors its budget and cash flows and structures its financial assets to be available as its general expenditures and other liabilities come due. The Organization has continued reliance on grants to fund operations.

5. Leases

On May 1, 2014, the Organization entered into a lease agreement for use of office space in Hartford, Connecticut for a period of five years, which ended in April 2019 and has continued on a month-to-month basis. The lease required monthly rent payments in the amount of $1,716 in addition to common area charges. Total rent expense relating to this lease for the year ended June 30, 2024 was $20,960. The lease was terminated in March 2024.

The Organization entered into a seven-year operating lease for office space which began in April 2024. Other information related to the Organization's operating lease for the year ended June 30, is as follows:

	2025	2024
Lease expense	$ 52,217	$ 17,406
Cash paid for amounts included in the measurement of operating lease liabilities	48,180	15,900
Weighted-average remaining lease term in years for operating leases	5.67	6.67
Weighted-average discount rate for operating leases	5.13%	5.13%
ROU assets obtained in exchange for new operating lease liabilities	-	305,999

Future minimum lease payments due under the non-cancellable agreement as of June 30, 2025 are as follows:

2026	49,625
2027	51,114
2028	52,647
2029	54,227
2030	55,853
Thereafter	37,973
Total future minimum lease payments	301,439
Less: present value discount	(40,272)
Total lease liability	$ 261,167

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Connecticut Network for Children and Youth, Inc.

State Single Audit Schedules and Reports

June 30, 2025

Connecticut Network for Children and Youth, Inc.

Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2025

State Grantor Pass-Through Grantor/Program Title	State Grant Program Core-CT Number	Provided To Subrecipients	Total State Expenditures
Office of Early Childhood			
Nurturing Families Network	11000-OEC64860-12603-83007	$ 2,859,716	$ 3,786,900
Total Expenditures of State Financial Assistance		$ 2,859,716	$ 3,786,900

See Independent Auditors' Report and Notes to Schedule of Expenditures of State Financial Assistance

Connecticut Network for Children and Youth, Inc.

Notes to Schedule of Expenditures of State Financial Assistance
June 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance (the "Schedule") includes state grant activity of Connecticut Network for Children and Youth, Inc. for the year ended June 30, 2025.

A department and agency of the State of Connecticut has provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a selected portion of the operations of Connecticut Network for Children and Youth, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Connecticut Network for Children and Youth, Inc.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accounting policies of Connecticut Network for Children and Youth, Inc. conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities.

The expenditures reported on the Schedule are presented on the accrual basis of accounting. For cost-reimbursement awards, expenditures have been recognized to the extent of allowable costs incurred. For performance-based awards, expenditures reported represent amounts earned.

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

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 Auditors' Report

Board of Directors
Connecticut Network for Children and Youth, Inc.

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 Connecticut Network for Children and Youth, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2025, 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 November 10, 2025.

Report on 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") as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

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Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

November 10, 2025

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Report on Compliance for Each Major State Program and on Internal Control Over Compliance in Accordance With the State Single Audit Act

Independent Auditors' Report

Board of Directors
Connecticut Network for Children and Youth, Inc.

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Connecticut Network for Children and Youth, Inc.'s compliance with the types of compliance requirements described in the Office of Policy and Management *Compliance Supplement* that could have a direct and material effect on each of Connecticut Network for Children and Youth, Inc.'s major state programs for the year ended June 30, 2025. Connecticut Network for Children and Youth, Inc.'s major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Connecticut Network for Children and Youth, 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 state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Connecticut Network for Children and Youth, 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 state program. Our audit does not provide a legal determination of Connecticut Network for Children and Youth, 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 Connecticut Network for Children and Youth, Inc.'s state programs.

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Auditors' 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 Connecticut Network for Children and Youth, 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 GAAS, *Government Auditing Standards*, and the State Single Audit Act 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 Connecticut Network for Children and Youth, Inc.'s compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, 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 Connecticut Network for Children and Youth, 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 Connecticut Network for Children and Youth, Inc.'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 State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of Connecticut Network for Children and Youth, 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 state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 state 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 state 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 Auditors' 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 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 State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

PKF O'Connor Davies, LLP

November 10, 2025

Connecticut Network for Children and Youth, Inc.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' opinion issued	Unmodified	
Internal control over financial reporting:		
Material weakness (es) identified?	____ Yes	X No
Significant deficiency (ies) identified?	____ Yes	X None reported
Noncompliance material to financial statements noted?	____ Yes	X No

State Financial Assistance

Internal control over major state programs:		
Material weakness (es) identified?	____ Yes	X No
Significant deficiency (ies) identified?	___ Yes	X None reported
Type of auditors' opinion issued on compliance for major state programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the regulations to the State Single Audit Act?	____ Yes	X No

The following schedule reflects the major programs included in the audit:

State Grantor and Program	State Core-CT Number	Expenditures
Office of Early Childhood:		
Nurturing Families Network	11000-OEC64860-12603-83007	$ 3,786,900
Dollar threshold used to distinguish between type A and type B programs		$ 300,000

Section II. Financial Statement Findings

During our audit, we noted no material findings for the year ended June 30, 2025.

Section III. State Financial Assistance Findings and Questioned Costs

No findings or questioned costs are reported relating to the State financial assistance program.

Connecticut Network for Children and Youth, Inc.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Prior Year Finding

Finding No. 2024-001

Condition: The Organization did not document monitoring of the subrecipients to ensure that the agency is administering grant funds in compliance with grant requirements.

Current Status: This finding has been corrected.

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