

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

SENIORS IN SERVICE OF TAMPA BAY, INC.

December 31, 2010

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RIVERO, GORDIMER & COMPANY, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

SENIORS IN SERVICE OF TAMPA BAY, INC.

December 31, 2010

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**RIVERO, GORDIMER & COMPANY, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
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MICHAEL E. HELTON

INDEPENDENT AUDITORS' REPORT

Board of Directors  
Seniors in Service of Tampa Bay, Inc.

We have audited the accompanying statement of financial position of Seniors in Service of Tampa Bay, Inc. (the "Organization") as of December 31, 2010, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seniors in Service of Tampa Bay, Inc. as of December 31, 2010 and the changes in its net assets, its cash flows, and its functional expenses for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2011 on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Organization taken as a whole. The accompanying Schedule of Expenditures of Federal Awards (pages 15 – 17) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Tampa, Florida  
June 15, 2011

Seniors in Service of Tampa Bay, Inc.  
STATEMENT OF FINANCIAL POSITION

December 31, 2010  
(With comparative total for 2009)

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Cash and cash equivalents (notes A7 and D)	\$ 516,034	\$ 216,792
Investments (notes A3 and D)	101,122	296,955
Grants receivable (note A2)	<u>62,376</u>	<u>97,951</u>
Total current assets	679,532	611,698
Property and equipment, net of accumulated depreciation (notes A4 and B)	<u>244,827</u>	<u>258,012</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 924,359</u></u>	<u><u>\$ 869,710</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Accrued expenses	<u>\$ 83,505</u>	<u>\$ 2,114</u>
Total current liabilities	83,505	2,114
Commitments and contingencies (note C)	<u>-</u>	<u>-</u>
Total liabilities	83,505	2,114
Net assets - unrestricted (note A2)	<u>840,854</u>	<u>867,596</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 924,359</u></u>	<u><u>\$ 869,710</u></u>

The accompanying notes are an integral part of this statement.

Seniors in Service of Tampa Bay, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2010  
(With comparative total for 2009)

	<u>2010</u>	<u>2009</u>
Revenues and other support		
Direct federal grants	\$ 928,105	\$ 1,013,621
Contributions and other program income	302,416	322,397
United Way of Tampa Bay	111,620	124,862
State of Florida, Medicaid	17,265	29,486
Community Development Block Grant		
City of Tampa	32,807	21,271
Hillsborough County	19,006	35,211
Rental income	24,957	24,867
Interest income	9,622	16,092
Fundraising events, net of direct expenses of \$5,742 and \$5,537 for 2010 and 2009, respectively	<u>34,197</u>	<u>43,583</u>
Total revenues and other support	<u>1,479,995</u>	<u>1,631,390</u>
Expenses		
Program services		
Foster grandparent	853,336	828,612
Senior companion	<u>511,278</u>	<u>647,458</u>
Total program services	1,364,614	1,476,070
Management and general	<u>142,123</u>	<u>144,356</u>
Total expenses	<u>1,506,737</u>	<u>1,620,426</u>
Change in net assets	(26,742)	10,964
Net assets at beginning of year	<u>867,596</u>	<u>856,632</u>
Net assets at end of year	<u><u>\$ 840,854</u></u>	<u><u>\$ 867,596</u></u>

The accompanying notes are an integral part of this statement.

Seniors in Service of Tampa Bay, Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2010  
(With comparative total for 2009)

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Change in net assets	\$ (26,742)	\$ 10,964
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation and amortization	13,185	12,153
Decrease (increase) in receivables	35,575	(97,951)
Increase in accrued expenses	81,391	2,032
Total adjustments	<u>130,151</u>	<u>(83,766)</u>
Net cash provided (used) by operating activities	<u>103,409</u>	<u>(72,802)</u>
Cash flows from investing activities		
Net redemptions (purchases) of certificates of deposits	195,833	(61)
Purchases of equipment	<u>-</u>	<u>(9,555)</u>
Net cash provided (used) by investing activities	<u>195,833</u>	<u>(9,616)</u>
Net increase (decrease) in cash and cash equivalents	299,242	(82,418)
Cash and cash equivalents at beginning of year	<u>216,792</u>	<u>299,210</u>
Cash and cash equivalents at end of year	<u>\$ 516,034</u>	<u>\$ 216,792</u>
Supplemental disclosures of cash flow information		
Cash paid during the year		
Interest	<u>\$ -</u>	<u>\$ -</u>
Taxes	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

Seniors in Service of Tampa Bay, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2010  
(With comparative total for 2009)

	Program Services			Management and General	2010 Total	2009 Total
	Foster Grandparent	Senior Companion	Total Program Expenses			
Salaries, wages and related expenses						
Salaries and wages	\$ 218,378	\$ 155,532	\$ 373,910	\$ 84,239	\$ 458,149	\$ 483,435
Employee benefits and taxes	43,706	30,060	73,766	12,887	86,653	87,829
Total salaries, wages and related expenses	262,084	185,592	447,676	97,126	544,802	571,264
General expenses						
Board of Directors	1,674	1,002	2,676	257	2,933	2,206
Dues and subscriptions	282	231	513	10	523	658
Equipment rental and repairs	3,852	2,370	6,222	199	6,421	6,835
Executive Director	220	129	349	11	360	408
Insurance, corporate	5,847	3,539	9,386	272	9,658	9,748
Newsletter	1,031	702	1,733	54	1,787	1,855
Occupancy expenses	7,126	4,350	11,476	1,480	12,956	11,463
Postage and printing	2,337	1,399	3,736	126	3,862	9,417
Professional and contract services	9,902	10,689	20,591	482	21,073	31,542
Real estate taxes	-	-	-	109	109	107
Staff expenses	1,816	1,326	3,142	885	4,027	2,326
Strategic planning	-	-	-	22,713	22,713	-
Supplies	2,206	1,189	3,395	96	3,491	4,306
Technology support	1,705	1,654	3,359	83	3,442	6,475
Telephone	3,213	1,911	5,124	158	5,282	5,943
Travel and transportation	6,633	4,712	11,345	1,401	12,746	18,397
Miscellaneous	946	659	1,605	2,360	3,965	1,507
Total general expenses	48,790	35,862	84,652	30,696	115,348	113,193
Volunteer expenses						
Volunteer stipends	415,196	215,384	630,580	-	630,580	695,780
Insurance	1,916	514	2,430	-	2,430	2,280
Meals	21,187	7,940	29,127	-	29,127	44,597
Recognition	3,022	1,770	4,792	138	4,930	5,932
Team leaders	-	2,070	2,070	-	2,070	2,640
Training	13,482	4,947	18,429	978	19,407	7,812
Travel	87,659	57,199	144,858	-	144,858	163,275
Uniforms	-	-	-	-	-	1,500
Total volunteer expenses	542,462	289,824	832,286	1,116	833,402	923,816
Total expenses before depreciation	853,336	511,278	1,364,614	128,938	1,493,552	1,608,273
Depreciation	-	-	-	13,185	13,185	12,153
Total expenses	\$ 853,336	\$ 511,278	\$ 1,364,614	\$ 142,123	\$ 1,506,737	\$ 1,620,426

The accompanying notes are an integral part of this statement.

Seniors in Service of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

NOTE A - NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Background Information

Seniors in Service of Tampa Bay, Inc. (the "Organization") was incorporated on March 20, 1984 as a Florida nonprofit organization. The Organization's mission is to recruit, train and place volunteers to help children succeed and elders remain independent. The Organization is awarded grants and contracts to sponsor the Foster Grandparent Program and the Senior Companion Program for Hillsborough, Pinellas, and Polk Counties in the state of Florida. These programs are funded primarily through grant agreements with the Corporation for National and Community Service. Other primary funding sources are the United Way of Tampa Bay, Inc., the Hillsborough County Community Development Block Grant, the City of Tampa Community Development Block Grant, the Hillsborough, Pinellas and Polk County School Districts, Medicaid, and other foundation grants and contributions.

A significant portion of the revenues and support generated by the Organization are funded through federal and local government grants. The Organization re-negotiates its contracts on an annual basis.

2. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and are prepared under the guidance of the Financial Accounting Standards Board *Accounting Standards Codification* ("FASB ASC").

FASB ASC 958-605 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributed services meeting certain criteria at fair values. Additionally, under the guidance of FASB ASC 958-605, unconditional promises to give that are expected to be paid in less than one year are measured at net realizable value (settlement value). Conditional promises to give, which depend on the occurrence of a specified future and uncertain event to bind the promisor, are recognized when the conditions on which they depend are substantially met.

FASB ASC 958-205 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows.

The three classes of net assets, based on the absence or existence of donor-imposed restrictions, are defined as follows:

- Unrestricted net assets – not subject to donor-imposed restrictions, or the donor-imposed restrictions have expired.

Seniors in Service of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010

NOTE A - NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

- Temporarily restricted – subject to donor-imposed stipulations that may be fulfilled by actions of the Organization or become unrestricted by the passage of time. Currently the Organization has no temporarily restricted net assets.
- Permanently restricted net assets – subject to donor-imposed stipulations that must be retained and invested permanently by the Organization. Currently, the Organization has no permanently restricted net assets.

The Organization recognizes public support, revenue, and expenses on the accrual basis. Support and revenues from grants and contracts are generally recognized as eligible costs are incurred and/or required services performed, and all grant receivables are deemed to be fully collectible.

Functional expenses are allocated between programs on the basis of specific identification, where possible, or management's best estimates.

3. Investments

Investments consist of a Certificate of Deposit and is carried at fair value in the Organization's financial statements. Purchases and sales of investments are reflected on a trade date basis. Income from investments is recorded as earned on an accrual basis. Investments totaled \$101,122 at December 31, 2010.

4. Property and Equipment

Property and equipment are capitalized at cost when purchased, or if donated at estimated fair value at the date of gift. Assets are capitalized when the purchase price exceeds \$500 and the estimated useful life is more than one year. Depreciation is calculated using the straight-line method over the following estimated useful lives of the assets:

Furniture and equipment	3 - 7 years
Building and building improvements	10 - 40 years

5. Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Chapter 220.13 of the Florida Statutes, respectively; and has not taken any uncertain tax positions. Accordingly, no income tax liability has been recorded in the financial statements. All information returns of the Organization are open to examination by taxing authorities, subject to the statute of limitations rules. Management does not believe the results of examination, if any, will significantly affect the amounts previously reported.

Seniors in Service of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010

NOTE A - NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

6. Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. Concentration of Credit Risk

The Organization maintains all of its demand deposit and money market accounts with financial institutions in the state of Florida. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 in total. The Organization manages this risk by maintaining accounts in separate financial institutions.

8. Comparative Information

The financial statements include certain prior period summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2009, from where it was derived.

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2010:

Land	\$ 56,511
Building and improvements	230,815
Furniture and fixtures	62,968
	<u>350,294</u>
Less accumulated depreciation	<u>(105,467)</u>
	<u>\$ 244,827</u>

NOTE C - COMMITMENTS AND CONTINGENCIES

1. SEP IRA Plan

The Organization maintains SEP IRA accounts for qualified employees. Contributions to the plan are discretionary and are based upon a percentage of compensation. The Organization shall determine, at its sole discretion, the annual contributions as determined by the Board of Directors. Contributions made by the Organization for the year ended December 31, 2010 were approximately \$12,000.

Seniors in Service of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010

NOTE C - COMMITMENTS AND CONTINGENCIES - Continued

2. Employment Contract

The Organization maintained an employment contract with its chief executive officer through December 2010 that provided for a minimum annual salary, adjusted for cost of living changes, and incentives based on the Organization's attainment of specified levels of performance.

3. Operating Leases

The Organization leases office equipment under operating leases. Approximate future minimum lease payments including sales tax, under these operating leases are as follows:

Year ending December 31,

2011

\$ 4,200

Rent expense under the operating leases for the year ended December 31, 2010 totaled \$6,420.

NOTE D - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board *Accounting Standards Codification* 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for that asset or liability;

Seniors in Service of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010

NOTE D - FAIR VALUE MEASUREMENTS - Continued

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for significant assets measured at fair value at December 31, 2010:

*Certificates of deposit:* Valued at the cost plus accrued interest through the reporting date.

*Cash and cash equivalents:* Due to the short term maturities of these instruments, the fair value and carrying value are considered the same.

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

The following table sets forth by level, within the fair value hierarchy, the Organization's financial assets at fair value as of December 31, 2010:

	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Certificate of deposit	\$ 101,122	\$ 101,122	\$ -	\$ -
Cash and cash equivalents	\$ 576,034	\$ 576,034	\$ -	\$ -

Seniors in Service of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010

NOTE E - OPERATING LEASE - LESSOR

The Organization acts as lessor and leases office space to a tenant in its facilities located in Tampa, Florida. The lease calls for monthly payments and a proration of utility expenses and expires in June 2011. Management expects the tenant to renew the lease after the expiration date. Rent received during 2010 was approximately \$25,000. The minimum future lease receipts are as follows:

Year ending December 31,

2011

\$ 12,500

NOTE F - SUBSEQUENT EVENTS

The Organization has evaluated events and transactions occurring subsequent to December 31, 2010 as of June 15, 2011, which is the date the financial statements were available to be issued. Subsequent events occurring after June 15, 2010 have not been evaluated by management. No material events have occurred since December 31, 2010 that require recognition or disclosure in the financial statements that have not already been recognized or disclosed in the financial statements for the year ended December 31, 2010.

SUPPLEMENTAL INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
SENIORS IN SERVICE OF TAMPA BAY, INC.  
For the year ended December 31, 2010

Seniors in Service of Tampa Bay, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2010

Federal Grantor Program Title	Federal CFDA#	Grant Identification #	Expenditures
U.S. Department of Housing and Urban Development Passed-through the City of Tampa, a Florida municipal corporation Community Development Block Grants/ Entitlement Grants	14.218	GND1YGAY and GND1YFAZ	\$ 32,807
Passed-through Hillsborough County, Florida Community Development Block Grants/ Entitlement Grants	14.218	N/A	<u>19,006</u>
			<u>51,813</u>
U.S. Department of Education Passed-through the School Board of Hillsborough County, Florida Title I Grants to Local Educational Agencies (LEAs)	84.010	N/A	<u>11,596</u>
Special Education - Grants to States (IDEA, Part B)	84.027	N/A	<u>36,050</u>
U.S. Department of Health and Human Services Passed-through Hillsborough County, Florida Head Start	93.600	N/A	<u>43,908</u>
Corporation for National and Community Service Foster Grandparent Program	94.011	10SFSFL005	<u>657,512</u>
Senior Companion Program	94.016	10SCSFL005	<u>270,593</u>
Total expenditures of federal awards			<u>\$ 1,071,472</u>

The accompanying notes are an integral part of this schedule.

Seniors in Service of Tampa Bay, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2010

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Seniors in Service of Tampa Bay, Inc. (the "Organization") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE B - CONTINGENCIES

These federal programs are subject to financial and compliance audits by grantor agencies which, if instances of material noncompliance are found, may result in disallowed expenditures and affect the Organization's continued participation in specific programs. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

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

SENIORS IN SERVICE OF TAMPA BAY, INC.

December 31, 2010



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

Board of Directors  
Seniors in Service of Tampa Bay, Inc.

We have audited the financial statements of Seniors in Service of Tampa Bay, Inc. (the "Organization") as of and for the year ended December 31, 2010, and have issued our report thereon, dated June 15, 2011. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management, the Board of Directors, others within the entity and grantor agencies, and is not intended to be and should not be used by anyone other than these specified parties.

*Bucio, Gardner & Company, P.A.*

Tampa, Florida  
June 15, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133

SENIORS IN SERVICE OF TAMPA BAY, INC.

December 31, 2010



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS THAT COULD HAVE A DIRECT  
AND MATERIAL EFFECT ON EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133

Board of Directors  
Seniors in Service of Tampa Bay, Inc.

Compliance

We have audited Seniors in Service of Tampa Bay, Inc. (the "Organization") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Organization's compliance with those requirements.

In our opinion, the Organization complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, the Board of Directors, others within the entity and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Bureau, Gordinier & Company, P.A.*

Tampa, Florida  
June 15, 2011

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SENIORS IN SERVICE OF TAMPA BAY, INC.

December 31, 2010

Seniors in Service of Tampa Bay, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2010

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued Unqualified

Internal control over financial reporting  
Material weakness(es) identified?      yes   X   no  
Significant deficiency(ies) identified?      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards**

Internal control over major programs  
Material weakness(es) identified?      yes   X   no  
Significant deficiency(ies) identified?      yes   X   none reported

Type of auditors' report issued on compliance for major federal programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?      yes   X   no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
94.011	Foster Grandparent Program
94.016	Senior Companion Program

Dollar threshold used to distinguish between type A and type B programs \$ 300,000

Auditee qualified as low-risk auditee?   X   yes      no

Seniors in Service of Tampa Bay, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended December 31, 2010

**Section II - Financial Statement Findings**

No matters were reported for the year ended December 31, 2010 and no matters were reported for the prior year. Accordingly, a summary schedule of prior year audit findings is not presented.

**Section III - Federal Award Findings and Questioned Costs**

No matters were reported for the year ended December 31, 2010 and no matters were reported for the prior year. Accordingly, a summary schedule of prior year audit findings is not presented.

