

Audited Financial Statements

Advancing Connecticut Together, Inc.

*As of and for the years ended December 31, 2024 and 2023
with Independent Auditors' Report, Reports in
Accordance with Government Auditing Standards,
Uniform Guidance, and State Single Audit Act*



EXPERIENCE THAT COUNTS
ASSURANCE · TAX · ADVISORY SERVICES

Advancing Connecticut Together, Inc.

As of and for the Years Ended December 31, 2024 and 2023

Contents

Independent Auditors’ Report.....1
Statements of Financial Position.....4
Statements of Activities and Changes in Net Assets5
Statements of Functional Expenses6
Statements of Cash Flows.....8
Notes to Financial Statements.....9

II. Reports in Accordance with *Government Auditing Standards*

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*..... 19

III. Reports in Accordance with Uniform Guidance

Independent Auditors’ Report on Compliance for each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance21

Schedule of Expenditures of Federal Awards.....24
Notes to Schedule of Expenditures of Federal Awards26
Schedule of Federal Findings and Questioned Costs.....27

IV. Reports in Accordance with the State Single Audit Act

Independent Auditors’ Report on Compliance for each Major State Program and Report on Internal Control over Compliance as Required by the State Single Audit Act28

Schedules of Expenditures of State Financial Assistance.....31
Notes to Schedule of Expenditures of State Financial Assistance.....32
Schedule of State Findings and Questioned Costs.....33



Independent Auditors' Report

To the Board of Directors of Advancing Connecticut Together, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Advancing Connecticut Together, Inc. (the Organization), a not-for-profit, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

Report on 2023 Financial Statements

The financial statements of the Organization as of and for the year ended December 31, 2023, were audited by another auditor whose report dated September 17, 2024, expressed an unmodified opinion on those statements.

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.



Independent Auditors' Report (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 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.

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 generally accepted auditing standards 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, 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 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.



Independent Auditors' Report (continued)

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 schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Single Audit Act (C.G.S. Sections 4-230 to 4-236), are presented for purposes of additional analysis and are 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 September 25, 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.

Fiondella, Milone & LaSarcina LLP

Glastonbury, Connecticut
September 25, 2025



Advancing Connecticut Together, Inc.
Statements of Financial Position
December 31, 2024 and 2023

Assets	2024	2023
Current assets:		
Cash and cash equivalents	\$ 5,999,751	\$ 1,563,266
Cash - fiscal agent funds	80,311	40,088
Grants, fees and contributions receivable	1,505,528	4,070,605
Investments	332,465	119,329
Prepaid expenses and other assets	81,494	44,624
Total current assets	7,999,549	5,837,912
Non-current assets:		
Unemployment trust cash reserve	67,469	79,598
Security deposits	5,180	2,930
Right of use asset, net	246,073	384,429
Property and equipment, net	94,241	153,979
Total non-current assets	412,963	620,936
Total assets	\$ 8,412,512	\$ 6,458,848
 Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 562,843	\$ 477,208
Refundable advances	3,665,840	1,806,662
Lease liability, current	175,415	179,525
Fiscal agent funds	80,311	40,088
Total current liabilities	4,484,409	2,503,483
Non-current liabilities:		
Unemployment trust reserve	67,469	68,069
Lease liability, long-term	70,658	204,904
Total non-current liabilities	138,127	272,973
Total liabilities	4,622,536	2,776,456
Net assets		
Without donor restrictions:		
Undesignated	2,540,758	2,407,916
Board designated	788,197	762,019
Total net assets without donor restrictions	3,328,955	3,169,935
With donor restrictions	461,021	512,457
Total net assets	3,789,976	3,682,392
Total liabilities and net assets	\$ 8,412,512	\$ 6,458,848

See accompanying notes

Advancing Connecticut Together, Inc.
Statements of Activities and Changes in Net Assets
Years Ended December 31, 2024 and 2023

	2024	2023
Changes in net assets without donor restrictions:		
Support and revenues:		
Grants	\$ 10,392,093	\$ 11,788,301
Contributions	657,315	339,823
In-kind contributions	441,000	544,686
Investment/interest income	19,543	1,896
Unrealized gains on investments	6,635	8,819
Miscellaneous income	319,828	170,627
Net assets released from restrictions	574,362	323,432
Total support and revenues	12,410,776	13,177,584
Expenses:		
Program services:		
Financial assistance	6,513,509	7,998,337
HIV services	2,379,258	2,467,123
Financial empowerment	1,133,414	1,227,359
Sponsored programs	1,127,017	313,461
Other programs	116,339	134,136
Total program services	11,269,537	12,140,416
Supporting services:		
Management and general	857,252	817,237
Fundraising	124,967	80,992
Total expenses	12,251,756	13,038,645
Change in net assets without donor restrictions	159,020	138,939
Changes in net assets with donor restrictions:		
Contributions	522,926	684,102
Net assets released from restrictions	(574,362)	(323,432)
Change in net assets with donor restrictions	(51,436)	360,670
Change in net assets	107,584	499,609
Net assets - beginning of year	3,682,392	3,182,783
Net assets - end of year	\$ 3,789,976	\$ 3,682,392

See accompanying notes

Advancing Connecticut Together, Inc.
Statement of Functional Expenses
Year Ended December 31, 2024

	Program Services					Total Program	Management and General	Fundraising	Total
	Financial Assistance	HIV Services	Financial Empowerment	Sponsored Programs	Other Programs				
Client assistance	\$ 5,917,574	\$ 605,511	\$ 453,734	\$ -	\$ 2,618	\$ 6,979,437	\$ 287	\$ -	\$ 6,979,724
Salaries and wages	160,811	1,130,160	403,879	207,809	24,453	1,927,112	622,217	90,376	2,639,705
Employee benefits and payroll taxes	24,460	219,608	75,141	37,824	2,980	360,013	150,618	17,426	528,057
Grants to other organizations	-	26,482	1,000	475,434	-	502,916	-	-	502,916
General program and operating expense	238	9,564	55,524	294,395	9,406	369,127	2,759	542	372,428
Subcontracts	158,361	27,828	75,712	12,000	-	273,901	-	-	273,901
Occupancy	101,936	78,703	10,153	3,372	472	194,636	11,315	-	205,951
Supplies	-	153,953	14,520	12,881	4,703	186,057	2,847	5,836	194,740
Information technology	68,764	28,236	8,953	19,832	17,286	143,071	3,501	162	146,734
Conference, meetings, training, and travel	1,243	21,611	18,739	38,795	436	80,824	5,760	3,880	90,464
Professional fees	6,704	10,176	5,850	12,909	21	35,660	39,236	3,613	78,509
Insurance	18,151	29,802	1,767	-	7,430	57,150	5,015	-	62,165
Depreciation	20,610	7,103	1,784	-	26,028	55,525	4,213	-	59,738
Communications	20,026	17,734	2,514	2,888	472	43,634	190	-	43,824
Office expense	13,375	4,184	4,028	3,380	78	25,045	2,272	1,969	29,286
Other expense	120	38	10	631	11,380	12,179	371	1,004	13,554
Lobbying	-	-	-	275	8,250	8,525	-	-	8,525
Interest and service charges	96	17	5	73	321	512	6,651	159	7,322
Vehicles	-	6,068	-	-	-	6,068	-	-	6,068
Equipment and maintenance	1,040	2,480	101	1,519	5	5,145	-	-	5,145
Dues and subscriptions	-	-	-	3,000	-	3,000	-	-	3,000
	<u>\$ 6,513,509</u>	<u>\$ 2,379,258</u>	<u>\$ 1,133,414</u>	<u>\$ 1,127,017</u>	<u>\$ 116,339</u>	<u>\$ 11,269,537</u>	<u>\$ 857,252</u>	<u>\$ 124,967</u>	<u>\$ 12,251,756</u>

See accompanying notes

Advancing Connecticut Together, Inc.
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services						Management and General	Fundraising	Total
	Financial Assistance	HIV Services	Financial Empowerment	Sponsored Programs	Other Programs	Total Program Services			
Client assistance	\$ 7,465,620	\$ 557,526	\$ 557,731	\$ -	\$ -	\$ 8,580,877	\$ 2,085	-	\$ 8,582,962
Salaries and wages	139,819	1,242,402	421,178	147,191	10,321	1,960,911	444,768	51,603	2,457,282
Employee benefits and payroll taxes	26,181	232,639	78,865	27,561	1,933	367,179	83,282	9,663	460,124
Grants to other organizations	-	211	8	3,792	-	4,011	-	-	4,011
General program and operating expense	848	45,758	9,693	2,913	898	60,110	830	1,435	62,375
Subcontracts	149,223	44,282	46,265	13,185	53,270	306,225	58,227	-	364,452
Occupancy	86,081	68,440	1,990	2,930	-	159,441	35,505	2,082	197,028
Supplies	3,139	169,332	35,870	10,779	3,324	222,444	3,070	5,309	230,823
Information technology	55,122	26,413	13,931	2,537	1,027	99,030	7,566	205	106,801
Conference, meetings, training, and	1,045	18,173	15,757	32,623	366	67,964	4,844	3,263	76,071
Professional fees	7,307	1,625	5,244	58,874	9,123	82,173	131,386	3,129	216,688
Insurance	10,546	12,920	18,147	-	1,682	43,295	11,036	114	54,445
Depreciation	10,352	2,837	13,118	-	31,233	57,540	4,562	93	62,195
Communications	19,085	16,900	2,396	2,752	450	41,583	181	-	41,764
Office expense	23,746	7,429	7,152	6,000	139	44,466	4,034	3,496	51,996
Other expense	34	11	3	181	3,260	3,489	103	288	3,880
Lobbying	-	-	-	-	688	688	500	-	1,188
Interest and service charges	189	33	11	143	630	1,006	13,051	312	14,369
Vehicles	-	4,642	-	-	3,630	8,272	2,806	-	11,078
Equipment and maintenance	-	15,550	-	-	12,162	27,712	9,401	-	37,113
Dues and subscriptions	-	-	-	2,000	-	2,000	-	-	2,000
	<u>\$ 7,998,337</u>	<u>\$ 2,467,123</u>	<u>\$ 1,227,359</u>	<u>\$ 313,461</u>	<u>\$ 134,136</u>	<u>\$ 12,140,416</u>	<u>\$ 817,237</u>	<u>\$ 80,992</u>	<u>\$ 13,038,645</u>

See accompanying notes

Advancing Connecticut Together, Inc.
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 107,584	\$ 499,609
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Unrealized gains on investments	(6,635)	(8,819)
Depreciation	59,738	62,195
Amortization of right-of-use asset	138,356	(172,498)
(Increase)/decrease in operating assets:		
Grants, fees and contributions receivable	2,565,077	(49,256)
Prepaid expenses	(36,870)	(276)
Security deposits	(2,250)	2,250
(Increase)/decrease in operating liabilities:		
Accounts payable and accrued liabilities	85,635	148,312
Lease liability	(138,356)	172,498
Refundable advances	1,859,178	(380,364)
Fiscal agent funds	40,223	18,215
Unemployment trust reserve liability	(600)	14,135
Net cash provided by operating activities	4,671,080	306,001
Cash flows from investing activities:		
Purchases of investments - mutual funds	(206,501)	-
Sales of investments - mutual funds	-	9,688
Purchase of property and equipment	-	(21,110)
Net cash used in investing activities	(206,501)	(11,422)
Net change in cash and cash equivalents	4,464,579	294,579
Cash and cash equivalents - beginning of year	1,682,952	1,388,373
Cash and cash equivalents - end of year	\$ 6,147,531	\$ 1,682,952
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	\$ 5,999,751	\$ 1,563,266
Restricted Cash:		
Cash - fiscal agents funds	80,311	40,088
Unemployment trust cash reserve	67,469	79,598
Cash, cash equivalents, and restricted cash, as presented above:	\$ 6,147,531	\$ 1,682,952

See accompanying notes

Advancing Connecticut Together, Inc.
Notes to Financial Statements

December 31, 2024 and 2023

1. Purpose of Organization

Advancing Connecticut Together, Inc. (ACT), a not-for-profit, with its partners, addresses the root causes of poverty, addiction and health inequities through strength-based services and advocacy to ensure all people in Connecticut have equitable resources necessary to achieve multi-generational health, wealth and happiness. Our Vision: We see a future whereby our neighbors thrive in an equitable society.

Connecticut Association for Human Services, Inc. (CAHS), a division of ACT, improves opportunity and prosperity for Connecticut's children and families by shaping policies and programs that significantly and measurably reduce poverty and promote a secure future. In operation since 1910, CAHS envisions a Connecticut where all children and families thrive and, regardless of income, contribute to and share in Connecticut's growth. To realize this, CAHS:

- Convenes and builds coalitions that engage policy makers, existing networks, and general public in building a family-friendly economy in Connecticut.
- Develops the capacity of leaders and communities to take action on statewide family economic security issues.
- Provides information on and access to basic resources, financial education, and the building of assets.
- Researches, analyzes, and evaluates current trends, needs, gaps, and progress being made in the economic well-being of children and families, and then shares these findings with target audiences.

Effective January 1, 2023, ACT and CAHS (collectively, the Organization) merged operations and financial activity. The financial statements for the year ended December 31, 2024 and 2023 present the consolidated financial position, activities, functional expenses, and cash flows for the Organization.

2. Summary of Significant Accounting Policies

Basis of Presentation

The Organization complies with the *Financial Statements of Not-for-Profit Organizations* topic of the Financial Accounting Standards Board (FASB) Accounting Standard Codification. Under this topic, the Organization reports information regarding its financial position and activities according to the following net asset categories:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations, but may be designated for specific purposes by the Board of Directors (the Board).

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time, or which may be perpetual.

Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents.

Cash - Fiscal Agent Funds

The Organization acts as a fiscal agent for certain programs. The funding received for these programs is restricted for use in accordance with the respective programs. A liability is recorded for the restricted amounts.

Endowment Assets and Investment Policies

The Organization complies with the *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds* topic of the FASB Codification. This topic provides guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations that are subject to the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA).

The Board policy specifies that the capital to the endowment will be retained and invested and that there will be no withdrawal of capital or earnings except upon approval by the Board.

Fair Value of Financial Instruments

The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements*, provides the 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments (continued)

The three levels of the fair value hierarchy are described below:

Level 1 — Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 — Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Significant unobservable inputs that reflect the Organization's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

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.

The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the quoted net asset value of shares held by the Organization at year end. There have been no changes in the methodologies used at December 31, 2024 and 2023.

The methods described above may produce a fair value calculation that may not be indicative of 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 value measurement at the reporting date.

Conditional Promises to Give

For each of the years ended December 31, 2024 and 2023, the Organization had unexpended grants of approximately \$9,367,354 and \$11,956,010, respectively, that have not been recognized pending fulfillment of conditions associated with the awards.

Property and Equipment

Property and equipment are recorded at cost. Maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method based on estimated useful lives of three to seven years. As of December 31, 2024 and 2023, property and equipment consists of furniture and fixtures, net of accumulated depreciation of \$205,948 and \$306,269, respectively.

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Leases

The Organization determines if an arrangement is a lease at inception. Lease right-of-use (ROU) assets represent the Organization's right to use an underlying asset for the lease term and operating lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Lease ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Organization's leases do not provide an implicit rate, the Organization uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has lease agreements with lease and non-lease components, which are generally accounted for separately.

Grants

The Organization receives grant and contract funding from various federal and state governments and foundations to provide a variety of program services to the public based on certain performance requirements included in the agreement, and the incurrence of allowable qualifying expenses and other requirements. Such government and foundation grants and contracts are nonreciprocal transactions and include conditions stipulated by the government agencies and foundations and are, therefore, accounted for as conditional contributions. Public support is recognized as revenue when conditions are satisfied, typically when the Organization has incurred expenditures in compliance with specific contract or grant provisions.

Management believes grants receivable have minimal collection risk. Accordingly, management has not established an allowance for uncollectable grants receivable. Cash received on government and foundation grants and contracts prior to incurring allowable expenses are recorded as refundable advances.

For each of the years ended December 31, 2024 and 2023, approximately 84% and 83%, respectively, of the Organization's funding came from the State of Connecticut and the Federal government. At December 31, 2024 and 2023, approximately 84% and 99%, respectively of the Organizations receivables are due from the State of Connecticut and the Federal Government.

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Contributions

Contributions are defined as voluntary, nonreciprocal transfers. Unrestricted and unconditional contributions are recognized as support when received or pledged, if applicable. Contributions are reported as net assets with donor restrictions support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished net assets with donor restrictions are released to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor restricted contributions that are received and released in the same period are presented as without donor restrictions. Conditional gifts, with a measurable performance or other barrier and right of return, are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor.

Contributions receivable are all expected to be collected within one year. Management has determined all receivables are collectible.

Contributed Nonfinancial Assets

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. Contributed services are recorded at fair value based on current rates for similar services. Volunteers also provided support and fundraising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under U.S. GAAP were not met. The Organization has recognized \$441,000 and \$544,686 of contributed nonfinancial assets for the years ended December 31, 2024 and 2023, respectively. These contributions were made up of volunteer hours for the Volunteer Income Tax Assistance program that are calculated, at fair value, based on the average salaries of tax preparers and are reported as contributions for the years ended December 31, 2024 and 2023.

Miscellaneous Income

Miscellaneous income consists of fiscal agent fee revenue, revenue from program services, and special event revenue. Generally, revenues reported in miscellaneous income are recognized when services are provided, or events occur.

Cost Allocation

The financial statements report certain categories of expenses that are attributable to one or more program functions of the Organization. Payroll and staffing costs are allocated based on the time and effort expended by the Organization's employees. Rent, utilities and travel costs are allocated based on the proportion of full-time employee equivalents of an individual program or other supporting service versus the total full-time employee equivalents of the Organization.

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Income Taxes

The Organization has received an exemption from the Internal Revenue Service (IRS) from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Council is required to make the appropriate tax payments on any income considered unrelated to its exempt purpose.

The management of the Organization evaluates all significant tax positions required by GAAP. At December 31, 2024 and 2023, management stated it does not have any tax position that would require the recording of any additional tax liability nor does it have any unrealized tax benefits that would either increase or decrease within the next twelve months. The Organization's income tax returns are subject to examination by the appropriate taxing jurisdictions. As of December 31, 2024, the Council's federal and state tax returns remain open for examination for years after December 31, 2021.

Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassification

Certain prior year amounts have been reclassified to conform with the current year's presentation with no change to total reported net assets.

3. Investments – Mutual Funds

Marketable securities are stated at fair value using Level 1 inputs, and are comprised of mutual funds at December 31, 2024 and 2023.

4. Unemployment Trust Cash Reserve

ACT maintains an Unemployment Trust Cash Reserve account to manage its unemployment claims. The accounts are held and managed by Unemployment Services Trust (UST). ACT has recorded an asset on the statement of financial position which represent the amount of cash in the reserve accounts, and a liability for expected claims to be paid.

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

5. Funds Held by Other

On July 27, 2007, a designated fund was established by Joel Fried, in the name of Richard B. Fried, through the Hartford Foundation for Public Giving (HFPG). ACT is the sole income interest beneficiary of the Richard B. Fried Fund, of which these funds are designated for the use to advocate on behalf of people living with HIV/AIDS in Connecticut to ensure a full range of quality housing and services necessary to maximize their potential and live their lives in dignity. 100% of the income generated by the fund will be distributed to ACT, based on HFPG’s spending policy. HFPG uses a total return investment approach, with annual spending for designated funds set at 5% of the previous quarters’ average market values. This is subject to a floor of 4.25% of current assets and a ceiling of 5.75% of current assets. In the event that ACT was unable to continue its operations, HFPG would retain sole possession of the designated fund and spend the remaining funds according to other charitable purposes described in the original mission statement. Total income received from the Richard B. Fried Fund for the years ended December 31, 2024 and 2023 was \$3,086 and \$3,053, respectively, and are included in contributions. The total asset value of the Richard B. Fried Fund at December 31, 2024 and 2023 was \$82,754 and \$75,290, respectively. The total asset value is not recorded on the financial statements.

6. Board Designated Endowment

The Board of Directors has deemed it prudent operating policy to maintain a “reserve”, representing a minimum level of funds required to continue current core operations. Board designated endowment activity, which is included in net assets without donor restrictions, is as follows for the years ended December 31:

	2024	2023
Endowment, beginning of year	\$ 62,019	\$ 751,304
Investment income	19,543	1,896
Unrealized gains on investment	6,635	8,819
Endowment, end of year	\$ 788,197	\$ 762,019

7. Operating Leases

The Organization leases various office facilities that expire on various dates through September 2027. Operating lease cost amounted to \$196,234 and \$204,231 for the years ended December 31, 2024 and 2023, respectively. The Organization uses its incremental borrowing rate of 4% to discount future lease payments. As of December 31, 2024 and 2023, the weighted-average lease term for the Organization’s operating leases was approximately 1.61 years and 2.61 years, respectively.

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

7. Operating Leases (continued)

The future minimum lease payments on these leases are as follows for the years ending December 31:

2025	\$	181,141
2026		44,692
2027		28,112
Total undiscounted cash flows		<u>253,945</u>
Less: present value discount		<u>(7,872)</u>
Total lease liability	\$	<u>246,073</u>
Current portion of lease liability	\$	175,415
Long term portion of lease liability	\$	70,658

Supplemental statement of financial position information is as follows at June 30:

	<u>2024</u>	<u>2023</u>
Operating lease right-of-use asset at inception	\$ 706,510	\$ 706,510
Operating lease right-of-use asset amortization	<u>(460,437)</u>	<u>(322,081)</u>
Operating lease right-of-use assets	\$ 246,073	\$ 384,429

8. Net Assets with Donor Restriction

Net assets with donor restrictions related to purpose are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Early Childhood Alliance	\$ 275,000	\$ 200,000
Naloxone/Narcan	26	26
Donation for Connections	7,577	4,477
PhRMA	2,500	2,500
Leadership Development	6,650	6,650
Advocacy	5,000	5,000
Prevention	10,250	10,250
Shawn Lang Memorial Funds	20,258	20,258
CAHS Policy Initiatives	12,500	40,000
CAHS Returning Citizens Program	-	49,796
New Haven Financial Empowerment Center	7,093	52,500
Volunteer Income Tax Assistance	-	19,000
Financial Operations (HFPG)	-	50,000
Civic Mind – Yoga in the City	50,000	-
Bank on CT	14,167	-
Keep The Promise	50,000	52,000
	<u>\$ 461,021</u>	<u>\$ 512,457</u>

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

8. Net Assets with Donor Restriction (continued)

Net assets were released from donor restrictions for the following purposes during the years ended December 31:

	<u>2024</u>	<u>2023</u>
Early Childhood Alliance	\$ 212,500	\$ 62,500
Donation for Connections	6,900	5,523
Prevention	-	4,750
Alliance for Early Success	-	12,500
Bank On CT	-	37,632
CAHS Policy Initiatives	52,500	55,224
CAHS Returning Citizens Program	139,796	33,636
New Haven Financial Empowerment Center	60,833	84,667
Volunteer Income Tax Assistance	24,000	19,000
Keep the Promise	7,000	3,000
Bank on CT	15,833	-
Civic Mind – Yoga in the City	5,000	-
Financial Operations (HFPG)	50,000	-
Connecticut Money School	-	5,000
	<u>\$ 574,362</u>	<u>\$ 323,432</u>

9. Employee Benefit Plans

ACT’s eligible employees participate in a 403(b) matching plan. Under this plan, ACT has the option to contribute 3% of eligible employee salary. Eligible employees are defined as any employees who work 500 hours per year. Pension expense totaled \$38,211 and \$37,546 for the years ended December 31, 2024 and 2023, respectively.

CAHS maintained a 401(a) defined contribution plan based on a calendar year. Full-time employees who have attained 21 years of age and completed one year of service are eligible to participate in the plan. The employer contribution amount is 3% of the respective employees’ annual compensation. Effective June 2023, employees under CAHS 401(a) defined contribution plan was moved to the ACT 403(b) matching plan. Total contributions to this plan were \$9,981 for the year ended December 31, 2023.

10. Contingency

Grants require the fulfillment of certain conditions as set forth in the instrument of the grants. Failure to fulfill the conditions could result in the return of funds to grantors.

The Organization maintains cash in bank accounts, which at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents.

Advancing Connecticut Together, Inc.
Notes to Financial Statements (continued)

11. Concentrations

For each of the years ended December 31, 2024 and 2023, approximately 84% and 83%, respectively, of the Organization’s funding came from the State of Connecticut and the Federal government. At December 31, 2024 and 2023, approximately 84% and 99%, respectively of the Organizations receivables are due from the State of Connecticut and the Federal Government.

12. Liquidity and Availability of Resources

The following represents the Organization’s financial assets available to meet general expenditures over the next twelve months at December 31:

	2024	2023
Financial assets, at year end:		
Cash and cash equivalents	\$ 5,999,751	\$ 1,563,266
Grants, fees and contributions receivable	1,505,528	4,070,605
Investments	332,465	119,329
	7,837,744	5,753,200
Less those unavailable for general expenditure within one year:		
Net assets restricted by donor	(461,021)	(512,457)
Board restrictions	(788,197)	(762,019)
Total financial assets available to meet general expenditures over the next twelve months	\$ 6,588,526	\$ 4,478,724

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

In addition, the Organization invests cash in excess of daily requirements in short-term investments. The Organization’s investments are available to be released by the Board for general expenditures should the need arise, as there is no donor-imposed restriction on those funds. The Organization’s spending policy stipulates that they are to be retained and invested except upon approval of the Board to spend.

The Organization is substantially supported by state and federal grants. The Organization closely tracks grants that have been received with donor restrictions to assure that these funds are only used for their intended purpose. At this time, the Organization anticipates there being sufficient liquidity to meet its general obligations.

13. Subsequent Events

The Organization monitored and evaluated any subsequent events for footnote disclosures or adjustments required in its financial statements for the period from December 31, 2024, through September 25, 2025, the date on which financial statements were available to be issued.

II. Reports in Accordance with *Government Auditing Standards*



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*

To the Board of Directors of Advancing Connecticut Together, 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 Advancing Connecticut Together, Inc., which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Advancing Connecticut Together, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Advancing Connecticut Together, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Advancing Connecticut Together, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Advancing Connecticut Together, Inc.'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.



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* (continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Advancing Connecticut Together, Inc.'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*.

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 Advancing Connecticut Together, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Advancing Connecticut Together, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 25, 2025



III. Reports in Accordance with Uniform Guidance



Independent Auditors' Report on Compliance for each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Directors of Advancing Connecticut Together, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, Advancing Connecticut Together, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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



Independent Auditors' Report on Compliance for each Major Federal Program and on Internal Control over Compliance required by the Uniform Guidance (continued)

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Advancing Connecticut Together, 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 Advancing Connecticut Together, 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Advancing Connecticut Together, 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.



Independent Auditors' Report on Compliance for each Major Federal Program and
on Internal Control over Compliance required by the Uniform Guidance
(continued)

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 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 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 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 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.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 25, 2025



Advancing Connecticut Together, Inc.
Schedule of Expenditures of Federal Awards

For the year ended December 31, 2024

Federal Grantor/ Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass-Through to Subrecipients	Federal Expenditure
U.S. Department of Health and Human Services				
<i>Pass-through Programs</i>				
City of Hartford- HIV Emergency Relief Project Grants	93.914	HHS2023-54A HHS2024-72A	\$ -	\$ 674,331
City of Hartford - HIV Care Formula Grants	93.917	HHS2024-3A HHS2025-2A	-	446,844
State of Connecticut, Department of Social Services- Social Services Block Grant	93.667	18DSS6101FA 064-1FA-CSV-01	-	53,462
Total U.S. Department of Health and Human Services Programs			-	1,174,637
U.S. Department of Housing and Urban Development:				
<i>Pass-through Programs:</i>				
State of Connecticut, Department of Housing - Emergency Solutions Grant Program	14.231	23DOH0901AA 24DOH0901AA	-	643,330
City of Hartford - Emergency Solutions Grant Program	14.231	24-91.06 25-91.06	-	161,509
Total Emergency Solutions Grant Program	14.231			804,839
City of Hartford - Housing Opportunities for Persons with AIDS	14.241	23-91.17 24-91.17	-	34,980
City of Worcester - Housing Opportunities for Persons with AIDS	14.241	N/A	-	93,286
Total Housing Opportunities for Persons with AIDS	14.241		-	128,266
City of Hartford - Section 8 Housing Choice Vouchers	14.871	23DOH0901AA 24DOH0901AA	-	891,292
State of Connecticut, Department of Housing - Continuum of Care Program	14.267	23DOHACTCT0279 24DOHACTCT0279 20DOH0931AA 25DOHRRH352000AA 24DOH09CT0339AA 25DOHRRH000339AA	-	3,945,235
State of Connecticut, Department of Mental Health and Addiction Services - Continuum of Care Program	14.267	22MHA1013	-	250,000
Total Continuum of Care Program	14.267			4,195,235
Total US Department of Housing and Urban Development Programs			-	6,019,632

Advancing Connecticut Together, Inc.
Notes to Schedule of Expenditures of Federal Awards

For the year ended December 31, 2024

Federal Grantor/ Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Pass-Through to Subrecipients	Federal Expenditure
US Department of the Treasury				
<i>Pass-through Programs</i>				
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	23VITA0068 25VITA0089	\$ -	\$ 194,301
State of Connecticut, Department of Public Health – Community Development Financial Institutions Small Dollar Loan Program	21.025	N/A	-	<u>14,989</u>
Total US Department of the Treasury Programs			-	<u>209,290</u>
Total Expenditures of Federal Awards			\$-	<u>\$ 7,403,559</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Advancing Connecticut Together, Inc.
Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Advancing Connecticut Together, Inc. under programs of the federal government for the year ended December 31, 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 Advancing Connecticut Together, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Advancing Connecticut Together, Inc.

2. Summary of Significant Accounting Policies

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.

Advancing Connecticut Together, Inc. has elected to use the applicable de minimis indirect cost rate.

Advancing Connecticut Together, Inc.
 Schedule of Federal Findings and Questioned Costs
 For the year ended December 31, 2024

I. Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

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

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 programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?

_____ Yes X No

Identification of Major Programs

Federal Assistance Listing Number	Name of Federal Program or Cluster
14.231	Emergency Solutions Grant Program
14.871	Section 8 Housing Choice Vouchers
93.917	HIV Care Formula Grants

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low risk auditee? X yes _____ no

II. Financial Statement Findings

No matters reported.

III. Federal Awards Findings and Questioned Costs

No matters reported.

IV. Reports in Accordance with the State Single Audit Act



Independent Auditors' Report on Compliance for each Major State Program and Report on Internal Control over Compliance as Required by the State Single Audit Act

To the Board of Directors of Advancing Connecticut Together, Inc.

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Advancing Connecticut Together, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Advancing Connecticut Together, Inc.'s major state programs for the year ended December 31, 2024. Advancing Connecticut Together, Inc.'s major state programs are identified in the summary of auditors' results section of the accompanying schedule of state findings and questioned costs.

In our opinion, Advancing Connecticut Together, 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 December 31, 2024.

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; 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 the State Single Audit Act (C.G.S. Section 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 Advancing Connecticut Together, 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 Advancing Connecticut Together, 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 Advancing Connecticut Together, Inc.'s state programs.



Independent Auditors' Report on Compliance for each Major State Program
and Report on Internal Control over Compliance
as Required by the State Single Audit Act (continued)

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 Advancing Connecticut Together, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the 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 Advancing Connecticut Together, Inc.'s compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Advancing Connecticut Together, 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 Advancing Connecticut Together, 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 Advancing Connecticut Together, 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.

Independent Auditors' Report on Compliance for each Major State Program
and Report on Internal Control over Compliance
as Required by the State Single Audit Act (continued)

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 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 State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Fiondella, Milone & LaSaracina LLP

Glastonbury, Connecticut
September 25, 2025



Advancing Connecticut Together, Inc.
Schedule of Expenditures of State Financial Assistance
For the year ended December 31, 2024

State Grantor/ Pass-through Grantor/ Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Expenditures
Department of Public Health			
HIV Services	12004-DPH48500-12236	\$ -	\$ 367,768
HIV Services	12060-DPH48500-30401	-	167,651
Needle and Syringe Exchange Program	12004-DPH48500-12100	-	146,885
Peer to Peer Navigation	11000-DPH48500-12645	-	29,461
Total Department of Public Health		-	<u>711,765</u>
Department of Housing			
AIDS Residential (AID)	11000-DOH46920-16149- 1200902	-	460,618
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149- 1200904	-	250,438
Rental Assistance Program	11000-DOH46920-16149- 1200905	-	31,704
Homeless Youth	11000-DOH46920-12504	-	203,560
Community Investment Account	12060-DOH46920-35328	-	810,375
Total Department of Housing		-	<u>1,756,695</u>
Judicial Branch			
LGBTQ Justice and Opportunity Network	11000-JUD96114- 12616-101	475,433	520,074
Total State Financial Assistance		<u>\$ 475,433</u>	<u>\$ 2,988,534</u>

See accompanying note to the Schedule of Expenditures of State Financial Assistance.

Advancing Connecticut Together, Inc.
Note to Schedule of Expenditures of State Financial Assistance

For the Year Ended December 31, 2024

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of State Financial Assistance (the Schedule) includes state grant activity of Advancing Connecticut Together, Inc. under programs of the State of Connecticut for the year ended December 31, 2024. Various departments and agencies of the State of Connecticut have 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 Advancing Connecticut Together, Inc., it is not intended and does not present the financial position, changes in fund balance, changes in net position, or cash flows of Advancing Connecticut Together, Inc.

The accounting policies of Advancing Connecticut Together, Inc. conform to the accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of Accounting

Expenditures reported on the Schedule are presented on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

Advancing Connecticut Together, Inc.
Schedule of State Findings and Questioned Costs

For the year ended December 31, 2024

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 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 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
Department of Public Health		
LGBTQ Justice and Opportunity Network	11000-JUD96114-12616-101	\$ 520,074
Department of Housing		
Community Investment Account	12060-DOH46920-35328	\$ 810,375
Homeless Youth	11000-DOH46920-12504	\$ 203,560
Dollar threshold used to distinguish between Type A and Type B programs		\$ 200,000

II. Financial Statement Findings

No matters reported.

III. State Financial Assistance Findings and Questioned Costs

No matters reported.