RESPONSE TO INQUIRIES

August 7, 2026

RFP #2026-01-FA

- **Question 1:** FY25 had a material weakness in the GAS report related to financial system implementation. Will this have any affect on the FY26 records and reconciliations?

  Answer 1: *The financial system implementation items related to FY 2025 have been fully resolved and are not expected to impact the FY 2026 records or related reconciliations.*

- **Question 2:** On the FY2024 cyber-crime incident, may you please share any updates eg.
  - **Question 2a:** Restitution collected in FY26

    Answer 2a: *Fiscal year 2026 restitution collections have been minimal and would typically fall outside the scope.*

  - **Question 2b:** Any more legal costs/losses

    Answer 2b: *No additional legal expenditures or losses.*

  - **Question 2c:** Are enhanced banking controls operated throughout FY26?

    Answer 2c: *Yes, banking controls have been enhanced.*

- **Question 3:** In FY25, 100% of all grants were received from Florida Department of Children and Families.
  - **Question 3a:** Were there FY 2026 DCF contract amendments, funding reductions, compliance changes, recoupments, questioned costs, corrective actions, monitoring reports, or desk reviews?

    Answer 3a: *CFC budget allocation changes year to year based on legislative allocation. CFC is monitored by the state on a contractually mandated basis both monthly and quarterly.*

  - **Question 3b:** Did any programs materially expand, contract, or shift between federal and state funding sources in FY 2026?

    Answer 3b: *Please refer to the answer in 3a.*

  - **Question 3c:** Are there pending DCF, OIG, or other regulatory inquiries?

Answer 3c: *As of the current date, there are no pending DCF, OIG, or other regulatory inquiries.*

- **Question 4:** FY25 Audit Note 7 discloses $73,300,000 related-party payments to Providers where board members are key employees.
    - **Question 4a:** Is there a process in-place documenting these were arms-length transactions?

      Answer 4a: *CFC conflict of interest policy ensures providers with board representation conduct transactions at an arm's-length basis.*

    - **Question 4b:** Were/are any CFC board members owners or co-owners of these Providers?

      Answer 4b: *No*

- **Question 5:** Prior year 990 was filed on 5/15 deadline. The RFP Timeline implies filing the FY26 990 in January/February 2027. May you provide any context on what drove the delay in the PY and how CFC will together with the accounting firm to file by Jan/Feb 2027 this year?

  Answer 5: *CFC's RFP 2026-01-FA timeline for filing is reflected in the RFP.*