

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES
AND TECHNOLOGY, INC.**

FINANCIAL STATEMENTS

JUNE 30, 2011 AND JUNE 30, 2010

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
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JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Florida Alliance for Assistive Services and Technology, Inc.:

We have audited the accompanying statement of financial position of Florida Alliance for Assistive Services and Technology, Inc. as of June 30, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Florida Alliance for Assistive Services and Technology, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Florida Alliance for Assistive Services and Technology, Inc.'s June 30, 2010 financial statements and, in our report dated December 2, 2010, we expressed an unqualified opinion on those financial statements.

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. 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 the 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 Florida Alliance for Assistive Services and Technology, Inc. as of June 30, 2011, and the changes in its net assets and its cash flows 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 November 1, 2011, on our consideration of Florida Alliance for Assistive Services and Technology, Inc.'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 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 conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenses of Federal awards 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 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.

James Moore & Co., P.L.C.

Tallahassee, Florida
November 1, 2011

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 WITH SUMMARIZED
INFORMATION AS OF JUNE 30, 2010

<u>ASSETS</u>		
	2011	2010
Current assets		
Cash and cash equivalents	\$ 784,372	\$ 944,907
Investments	47,654	47,152
Grants and contracts receivable	338,984	508,745
Prepaid expenses	8,596	20,881
Total current assets	1,179,606	1,521,685
Restricted assets		
Cash and cash equivalents	800,062	1,224,741
Certificates of deposit	207,984	311,363
Investments	1,942,429	1,514,912
Total restricted assets	2,950,475	3,051,016
Furniture and equipment, net	80,896	66,529
Total Assets	\$ 4,210,977	\$ 4,639,230
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 103,641	\$ 200,665
Deferred revenue	167,473	383,755
Total current liabilities	271,114	584,420
Net assets		
Unrestricted	989,388	1,003,794
Temporarily restricted	2,950,475	3,051,016
Total net assets	3,939,863	4,054,810
Total Liabilities and Net Assets	\$ 4,210,977	\$ 4,639,230

The accompanying notes to financial statements
are an integral part of this statement.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011 WITH SUMMARIZED INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
Support and revenue				
Contributions	\$ 7,340	\$ -	\$ 7,340	\$ 12,332
Grants and contracts	1,394,585	-	1,394,585	2,491,633
Investment income	6,591	19,470	26,061	107,818
Other income	799	-	799	2,555
Net assets released from restrictions	120,011	(120,011)	-	-
Total support and revenue	<u>1,529,326</u>	<u>(100,541)</u>	<u>1,428,785</u>	<u>2,614,338</u>
Expenses				
Program services				
Assistive Technology Programs	1,370,144	-	1,370,144	2,477,269
Loan Programs	157,357	-	157,357	142,605
Total program services	<u>1,527,501</u>	<u>-</u>	<u>1,527,501</u>	<u>2,619,874</u>
Support services				
Administrative	16,231	-	16,231	18,786
Total expenses	<u>1,543,732</u>	<u>-</u>	<u>1,543,732</u>	<u>2,638,660</u>
Decrease in net assets	(14,406)	(100,541)	(114,947)	(24,322)
Net assets, beginning of year	1,003,794	3,051,016	4,054,810	4,079,132
Net assets, end of year	<u>\$ 989,388</u>	<u>\$ 2,950,475</u>	<u>\$ 3,939,863</u>	<u>\$ 4,054,810</u>

The accompanying notes to financial statements
are an integral part of this statement.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011 WITH SUMMARIZED INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

	2011				2010
	Program Services		Supporting Services		Total
	Assistive Technology Programs	Loan Programs	Administrative	Total	
Subcontractors and materials	\$ 856,927	\$ 857	\$ -	\$ 857,784	\$ 1,409,071
Loan payouts	-	2,443	-	2,443	54,607
Salaries and benefits	341,529	120,642	14,588	476,759	745,949
Rent	45,064	13,097	692	58,853	76,902
Telephone and utilities	10,620	2,168	68	12,856	18,077
Insurance	5,449	4,193	-	9,642	8,076
Supplies	17,334	1,090	-	18,424	26,074
Repairs and maintenance	4,235	1,114	-	5,349	15,365
Travel and meetings	39,798	1,799	-	41,597	86,947
Professional fees	11,265	2,608	-	13,873	121,171
Office	10,801	1,819	220	12,840	19,375
Depreciation	15,918	5,527	663	22,108	16,640
Publications and subscriptions	11,204	-	-	11,204	40,406
Total	<u>\$ 1,370,144</u>	<u>\$ 157,357</u>	<u>\$ 16,231</u>	<u>\$ 1,543,732</u>	<u>\$ 2,638,660</u>

The accompanying notes to financial statements
are an integral part of this statement.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011 WITH SUMMARIZED
INFORMATION FOR THE YEAR ENDED JUNE 30, 2010
Increase (Decrease) in Cash and Cash Equivalents

	2011	2010
Cash flows from operating activities		
Cash received from grantors and contractors	\$ 1,371,577	\$ 2,294,301
Cash paid to employees, vendors, and sub-recipients	(1,606,363)	(2,596,153)
Investment income received	26,061	47,538
Other income received	799	2,555
Net cash used in operating activities	(207,926)	(251,759)
Cash flows from investing activities		
Purchases of furniture and equipment	(36,474)	(18,216)
Purchases of certificates of deposit	-	(100,716)
Sales of certificates of deposit	103,379	255,546
Purchases of investments	(1,351,349)	(1,239,019)
Sales of investments	907,156	1,934,857
Net cash provided by (used in) investing activities	(377,288)	832,452
Net increase (decrease) in cash and cash equivalents	(585,214)	580,693
Cash and cash equivalents, beginning of year	2,169,648	1,588,955
Cash and cash equivalents, end of year	\$ 1,584,434	\$ 2,169,648
Reconciliation of decrease in net assets to net cash used in operating activities		
Decrease in net assets	\$ (114,947)	\$ (24,322)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation	22,108	16,640
Decrease in grants and contracts receivable	169,761	41,972
Increase (decrease) in accounts payable and accrued expenses	(97,024)	42,980
(Increase) decrease in prepaid expenses	12,285	(17,113)
Decrease in deferred revenue	(216,282)	(291,643)
Unrealized loss (gain) on investments	16,173	(20,273)
Total adjustments	(92,979)	(227,437)
Net cash used in operating activities	\$ (207,926)	\$ (251,759)

The accompanying notes to financial statements
are an integral part of this statement.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of Florida Alliance for Assistive Services and Technology, Inc. (the “Organization”) which affect significant elements of the accompanying financial statements:

(a) **Organization and Purpose**—The Organization is a not-for-profit organization which assists Florida’s disabled population in enhancing their lives by promoting the awareness of, access to and advocacy for assistive technology through various program services.

(b) **Furniture and Equipment**—Furniture and equipment acquired by the Organization are considered to be owned by the Organization. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year. The Federal government may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any assets purchased with its funds which have a cost of \$5,000 or more and an estimated useful life of at least one year.

Furniture and equipment with a value greater than \$500 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair market value when contributed. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from three to ten years. Repairs and maintenance, which are not considered improvements and do not extend the useful life of the property and equipment, are expensed as incurred.

(c) **Income Taxes**—The Organization is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

The Organization files income tax returns in the U.S. Federal jurisdiction. The Organization’s income tax returns for the past three years are subject to examination by taxing authorities and may change upon examination.

The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements.

(d) **Cash and Cash Equivalents**—For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, amounts in demand deposits held with banks, and short-term investments with original maturities of 90 days or less.

(e) **Use of Estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

(1) **Summary of Significant Accounting Policies:** (Continued)

(f) **Basis of Accounting**—The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect significant receivables, payables and other liabilities.

(g) **Basis of Presentation**—The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(h) **Functional Allocation of Expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(i) **Advertising**—The Organization expenses advertising as incurred.

(j) **Investments**—Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets on the Statement of Activities.

(k) **Contributions**—All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the entity reports the support as unrestricted.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the entity has adopted a policy of not implying a time restriction on contributions of such assets. Consequently, all contributions of property and equipment, and of the assets contributed to acquire property and equipment, are recorded as unrestricted support or contributions.

(l) **Grants and Contracts Receivable**—Grants and contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with grantors and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

(1) **Summary of Significant Accounting Policies:** (Continued)

(m) **Accrued Leave**— Eligible employees accrue vacation leave at varying rates based upon length of employment. Vacation leave is accrued as earned by employees and recorded as an expense in the period earned.

(n) **Revenues**—The Organization receives substantially all of its grant and contract revenue from Federal, State and local agencies. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses. Revenue recognition depends on the contract.

Any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of non-compliance with the terms of the grants/contracts.

(o) **Deferred Revenue**—The Organization records grant/contract receipts as deferred revenue until it is expended for the purpose of the grant/contract, at which time it is recognized as revenue. The balance in deferred revenue represents amounts received under cost reimbursable contracts that will be expended in the next fiscal year in accordance with the grant/contract period.

(2) **Significant Funding Sources:**

The Organization receives a substantial amount of its funding from the U.S. Department of Education passed through State of Florida Department of Education, Division of Vocational Rehabilitation. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Organization's programs and activities.

(3) **Concentrations of Credit Risk:**

The more significant concentrations of credit risk are as follows:

(a) **Demand and Time Deposits**—The Organization maintains demand deposits with several financial institutions. The Organization has no policy requiring collateral or other security to support its demand deposits in excess of FDIC coverage.

(b) **Grants and Contracts Receivable**—The Organization's receivables are for amounts due under contracts with the State of Florida and Federal government agencies. The Organization has no policy requiring collateral or other security to support its receivables.

(4) **Temporarily Restricted Net Assets and Restricted Cash and Investments:**

Temporarily restricted net assets relate to funds received to guarantee loans provided to Floridians with disabilities for the purchase of assistive technology in accordance with the Alternative Financing Program and the Access to Telework Loan Program. For purposes of administering these programs, the Organization entered into loan funding agreements with two national banks. The terms of those agreements require the Organization to pledge cash or investments as collateral equal to all or a portion of the loan amounts guaranteed under the program. At June 30, 2011 and 2010, the Organization has guaranteed loans under the funding agreements totaling \$451,960 and \$452,752 respectively, and has recorded \$2,950,475 and \$3,051,016 respectively as restricted cash, certificates of deposit, and investments related to those loans.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

(5) **Fair Value Measurements of Investments:**

Fair values of assets measured on a recurring basis at June 30, 2011 and 2010 are as follows:

	<u>Fair Value</u>	<u>Fair Value Measurements at Reporting Date Using Quoted Prices In Active Markets For Identical Assets (Level 1)</u>
June 30, 2011		
Fixed income securities and bonds	\$ 1,990,083	\$ 1,990,083
June 30, 2010		
Fixed income securities and bonds	\$ 1,562,064	\$ 1,562,064

The following schedule summarizes the investment return in the Statement of Changes in Net Assets for the years ended June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Interest and dividend income	\$ 16,470	\$ 47,538
Net gains (losses)	9,591	60,280

The above investment return is classified in the Statement of Changes in Net Assets as follows:

	<u>2011</u>	<u>2010</u>
Unrestricted	\$ 6,591	\$ 17,002
Temporarily restricted	19,470	90,816

Investments at June 30, 2011 consisted of the following:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Fixed income securities and bonds	\$ 1,961,047	\$ 1,990,083	\$ 29,036

Investments at June 30, 2010 consisted of the following:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Fixed income securities and bonds	\$ 1,516,855	\$ 1,562,064	\$ 45,209

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

(6) **Pension Plan:**

The Organization has a Simplified Employee Pension Plan (the “Plan”). Under the Plan the Organization may provide discretionary contributions to the individual retirement account or individual retirement annuity of all full time employees who have completed one year of employment. Employer contributions to the Plan during the fiscal year ended June 30, 2011 and 2010 were \$21,374 and \$31,063, respectively.

(7) **Furniture and Equipment:**

The following is a summary of furniture and equipment at June 30:

	2011	2010
Furniture and Equipment	\$ 225,888	\$ 189,413
Less: Accumulated depreciation	144,992	122,884
Total	\$ 80,896	\$ 66,529

(8) **Operating Leases:**

The Organization leases office space under an operating lease expiring in 2015. Rent expense for the year ended June 30, 2011 under the lease was \$27,600. Minimum future rental payments under operating leases as of June 30, 2011, for each of the next five years and in the aggregate are:

Year	Amount
2012	\$ 41,400
2013	41,400
2014	41,400
2015	34,500
2016	—
	\$ 158,700

(9) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 1, 2011, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
SCHEDULE OF EXPENSES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Contract Number	Expenses
FEDERAL AWARDS			
U.S. Department of Education			
Passed through Florida Department of Education, Division of Vocational Rehabilitation			
Assistive Technology	84.224	11-101	\$ 514,412
Assistive Technology	84.224	H224C010001	99,604
Assistive Technology	84.224	10-144	435,376
			<u>1,049,392</u>
Rehabilitation Services Demonstration and Training Programs	84.235	VH265	59,866
Total Federal Awards			<u><u>\$ 1,109,258</u></u>

The accompanying notes to schedule of expenses of Federal awards are
an integral part of this statement.

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO SCHEDULE OF EXPENSES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1. Basis of Presentation

The accompanying Schedule of Expenses of Federal Awards includes the Federal award activity of Florida Alliance for Assistive Services and Technology, Inc., 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 States, 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 financial statements.

Note 2. Sub-recipients

Of the expenses presented in the accompanying Schedule of Expenses of Federal Awards, Florida Alliance for Assistive Services and Technology, Inc. provided Federal awards to sub-recipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Sub-recipients
Assistive Technology	84.224	\$ 575,000

JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS

**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,
Florida Alliance for Assistive Services and Technology, Inc.:

We have audited the financial statements of Florida Alliance for Assistive Services and Technology, Inc. as of and for the year ended June 30, 2011, and have issued our report thereon dated November 1, 2011. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Florida Alliance for Assistive Services and Technology, Inc.'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 Florida Alliance for Assistive Services and Technology, Inc.'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 Florida Alliance for Assistive Services and Technology, Inc.'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 solely for the information and use of management, the Board of Directors, others within the entity, Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.C.

Tallahassee, Florida
November 1, 2011

JAMES MOORE & CO., P.L.
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors,
Florida Alliance for Assistive Services and Technology, Inc.:

Compliance

We have audited Florida Alliance for Assistive Services and Technology, Inc.'s 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 Florida Alliance for Assistive Services and Technology, Inc.'s major Federal programs for the year ended June 30, 2011. Florida Alliance for Assistive Services and Technology, Inc.'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 Florida Alliance for Assistive Services and Technology, Inc.'s management. Our responsibility is to express an opinion on Florida Alliance for Assistive Services and Technology, Inc.'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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 Florida Alliance for Assistive Services and Technology, Inc.'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 Florida Alliance for Assistive Services and Technology, Inc.'s compliance with those requirements.

In our opinion, Florida Alliance for Assistive Services and Technology, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Florida Alliance for Assistive Services and Technology, Inc. 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 Florida Alliance for Assistive Services and Technology, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major Federal program to determine the 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 Florida Alliance for Assistive Services and Technology, Inc.'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, Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.C.

Tallahassee, Florida
November 1, 2011

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2011**

I. Summary of Auditors' Results:

Financial Statements

Type of audit report issued on the financial statements: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

Types of auditor's report issued on compliance for major Federal programs: *Unqualified*

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

Identification of major programs:

Federal Program	Federal CFDA Number
Assistive Technology	84.224
Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	<u> X </u> yes _____ no

II. Financial Statement Findings: None.

III. Federal Award Findings and Questioned Costs: None.

IV. Summary of Prior Year Findings – Federal Awards: There were no findings in the year ended June 30, 2010.