

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

**FINANCIAL STATEMENTS**

**JUNE 30, 2013 WITH SUMMARIZED INFORMATION  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2012**

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
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**JUNE 30, 2013**

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Florida Alliance for Assistive Services and Technology, Inc., which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## ***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, 2013, 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.

## ***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2013 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 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 Florida Alliance for Assistive Services and Technology, Inc.'s internal control over financial reporting and compliance.

## ***Report on Summarized Comparative Information***

We have previously audited Florida Alliance for Assistive Services and Technology, Inc.'s June 30, 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 15, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

Tallahassee, Florida  
September 24, 2013

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2013 WITH SUMMARIZED**  
**INFORMATION AS OF JUNE 30, 2012**

<u><b>ASSETS</b></u>		
	<b>2013</b>	<b>2012</b>
<b>Current assets</b>		
Cash and cash equivalents	\$ 759,234	\$ 886,454
Investments	24,422	23,756
Grants and contracts receivable	259,492	260,137
Prepaid expenses	14,205	10,350
Total current assets	1,057,353	1,180,697
<b>Restricted assets</b>		
Cash and cash equivalents	498,878	599,531
Certificates of deposit	774,533	950,584
Investments	1,328,002	1,263,075
Total restricted assets	2,601,413	2,813,190
<b>Furniture and equipment, net</b>	44,984	66,569
<b>Total Assets</b>	<b>\$ 3,703,750</b>	<b>\$ 4,060,456</b>
<u><b>LIABILITIES AND NET ASSETS</b></u>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 84,695	\$ 104,283
Deferred revenue	38,384	151,753
Total current liabilities	123,079	256,036
<b>Net assets</b>		
Unrestricted	979,258	991,230
Temporarily restricted	2,601,413	2,813,190
Total net assets	3,580,671	3,804,420
<b>Total Liabilities and Net Assets</b>	<b>\$ 3,703,750</b>	<b>\$ 4,060,456</b>

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

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2013 WITH SUMMARIZED INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Total</b>
<b>Support and revenue</b>				
Grants and contracts	\$ 1,099,898	\$ -	\$ 1,099,898	\$ 1,166,042
Investment returns	1,905	(38,292)	(36,387)	37,123
Other income	5,512	-	5,512	-
Net assets released from restrictions	173,485	(173,485)	-	-
Total support and revenue	<u>1,280,800</u>	<u>(211,777)</u>	<u>1,069,023</u>	<u>1,203,165</u>
<b>Expenses</b>				
Program services				
Assistive Technology Programs	1,109,281	-	1,109,281	1,151,107
Loan Programs	164,121	-	164,121	168,370
Total program services	<u>1,273,402</u>	<u>-</u>	<u>1,273,402</u>	<u>1,319,477</u>
Support services				
Administrative	19,370	-	19,370	19,131
Total expenses	<u>1,292,772</u>	<u>-</u>	<u>1,292,772</u>	<u>1,338,608</u>
<b>Decrease in net assets</b>	<u>(11,972)</u>	<u>(211,777)</u>	<u>(223,749)</u>	<u>(135,443)</u>
<b>Net assets, beginning of year</b>	991,230	2,813,190	3,804,420	3,939,863
<b>Net assets, end of year</b>	<u>\$ 979,258</u>	<u>\$ 2,601,413</u>	<u>\$ 3,580,671</u>	<u>\$ 3,804,420</u>

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

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2013 WITH SUMMARIZED INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>				<b>2012</b>
	<b>Program Services</b>		<b>Supporting Services</b>		<b>Total</b>
	<b>Assistive Technology Programs</b>	<b>Loan Programs</b>	<b>Administrative</b>	<b>Total</b>	
Subcontractors and materials	\$ 676,162	\$ 3,014	\$ -	\$ 679,176	\$ 735,413
Salaries and benefits	315,039	110,547	18,299	443,885	425,624
Rent	28,577	14,073	-	42,650	39,798
Telephone and utilities	5,641	3,133	-	8,774	11,148
Insurance	2,989	6,466	-	9,455	7,901
Supplies	2,321	1,585	-	3,906	8,924
Repairs and maintenance	2,924	1,624	-	4,548	6,117
Travel and meetings	27,799	9,315	-	37,114	37,568
Professional fees	13,294	6,564	-	19,858	18,278
Office	5,168	5,175	-	10,343	8,463
Depreciation	24,913	-	1,071	25,984	24,083
Publications and subscriptions	4,454	2,625	-	7,079	9,273
Total	<u>\$ 1,109,281</u>	<u>\$ 164,121</u>	<u>\$ 19,370</u>	<u>\$ 1,292,772</u>	<u>\$ 1,332,590</u>

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

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2013 WITH SUMMARIZED**  
**INFORMATION FOR THE YEAR ENDED JUNE 30, 2012**  
**Increase (Decrease) in Cash and Cash Equivalents**

	<u>2013</u>	<u>2012</u>
<b>Cash flows from operating activities</b>		
Cash received from grantors and contractors	\$ 987,171	\$ 1,229,166
Cash paid to employees, vendors, and sub-recipients	(1,290,231)	(1,315,637)
Investment income received	15,662	40,865
Other income received	5,512	-
Net cash used in operating activities	<u>(281,886)</u>	<u>(45,606)</u>
<b>Cash flows from investing activities</b>		
Purchases of furniture and equipment	(4,398)	(9,757)
Purchases of certificates of deposit	(774,533)	(750,000)
Sales of certificates of deposit	950,584	7,400
Purchases of investments	(881,270)	(1,266,248)
Sales of investments	763,630	1,965,762
Net cash provided by (used in) investing activities	<u>54,013</u>	<u>(52,843)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(227,873)</u>	<u>(98,449)</u>
<b>Cash and cash equivalents, beginning of year</b>	1,485,985	1,584,434
<b>Cash and cash equivalents, end of year</b>	<u>\$ 1,258,112</u>	<u>\$ 1,485,985</u>
<b>Reconciliation of decrease in net assets to net cash used in operating activities</b>		
Decrease in net assets	\$ (223,749)	\$ (135,443)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation	25,984	24,083
Decrease in grants and contracts receivable	645	78,847
Increase (decrease) in accounts payable and accrued expenses	(19,588)	642
Increase in prepaid expenses	(3,855)	(1,754)
Decrease in deferred revenue	(113,372)	(15,723)
Realized gain on investments	(1,754)	(22,557)
Unrealized loss on investments	53,803	26,299
Total adjustments	<u>(58,137)</u>	<u>89,837</u>
<b>Net cash used in operating activities</b>	<u>\$ (281,886)</u>	<u>\$ (45,606)</u>

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



**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

(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, 2013**

(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, 2013**

(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 Assistive Technology Act of 2004 as the Alternative Finance Program (RSA-662) and Telework Program (RSA-687). For purposes of administering these programs, the Organization entered into a loan funding agreement with a national bank. The terms of the agreement require the Organization to pledge cash or investments as collateral equal to 30% of the loan amounts guaranteed under the program. At June 30, 2013, the Organization has guaranteed loans under the funding agreements totaling \$203,048, and has recorded \$2,601,413 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, 2013**

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

Fair values of assets measured on a recurring basis at June 30, 2013 are as follows:

	<b>Fair Value</b>	<b>Fair Value Measurements at Reporting Date Using Quoted Prices In Active Markets For Identical Assets (Level 1)</b>
June 30, 2013		
Fixed income securities and bonds	\$ 1,352,424	\$ 1,352,424

The following schedule summarizes the investment return in the Statement of Changes in Net Assets for the years ended June 30, 2013:

Interest and dividend income	\$ 15,662
Net gains (losses)	(52,049)

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

Unrestricted	\$ 1,905
Temporarily restricted	(38,292)

Investments at June 30, 2013 consisted of the following:

	<b>Cost</b>	<b>Fair Value</b>	<b>Unrealized Gain (Loss)</b>
Fixed income securities and bonds	\$ 1,403,463	\$ 1,352,424	\$ (51,039)

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

(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, 2013 were \$21,882.

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

(7) **Furniture and Equipment:**

The following is a summary of furniture and equipment at June 30, 2013:

Furniture and Equipment	\$	240,042
Less: Accumulated depreciation		<u>195,058</u>
Total	\$	<u><u>44,984</u></u>

(8) **Operating Leases:**

The Organization leases office space under an operating lease expiring in 2015. Rent expense for the year ended June 30, 2013 under the lease was \$41,400. Minimum future rental payments under operating leases as of June 30, 2013, for each of the next five years and in the aggregate are:

<u>Year</u>	<u>Amount</u>
2014	\$ 41,400
2015	41,400
2016	13,800
2017	—
2018	—
	<u>\$ 96,600</u>

(9) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through September 24, 2013, 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 EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

<b>Federal Grantor/Pass Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Contract Number</b>	<b>Expenses</b>
<b>FEDERAL AWARDS</b>			
U.S. Department of Education			
Passed through Florida Department of Education, Division of Vocational Rehabilitation			
Assistive Technology	84.224	11-101	\$ 655,483
Assistive Technology	84.224	H224C010001	103,515
			<u>758,998</u>
Rehabilitation Services Demonstration and Training Programs	84.235	VH265	61,430
<b>Total Federal Awards</b>			<u><u>\$ 820,428</u></u>

The accompanying notes to Schedule of Expenditures of Federal awards are  
an integral part of this statement.

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

**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:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Sub-recipients</u>
Assistive Technology	84.224	\$ 479,050

**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, 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 Florida Alliance for Assistive Services and Technology, Inc., which comprise the statement of financial position as of June 30, 2013, 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 24, 2013.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Florida Alliance for Assistive Services and Technology, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida Alliance for Assistive Services and Technology, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida Alliance for Assistive Services and Technology, 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 the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 may exist that have not been identified.



## **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 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 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*.

## **Purpose of this Report**

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

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

Tallahassee, Florida  
September 24, 2013

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

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

### **Report on Compliance for Each Major Federal Program**

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, 2013. 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.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its Federal programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Florida Alliance for Assistive Services and Technology, Inc.'s major Federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major Federal program. However, our audit does not provide a legal determination of Florida Alliance for Assistive Services and Technology, Inc.'s compliance.

## Opinion on Each Major Federal Program

In our opinion, Florida Alliance for Assistive Services and Technology, 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 June 30, 2013.

## Report on 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 types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Florida Alliance for Assistive Services and Technology, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

Tallahassee, Florida  
September 24, 2013

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2013**

**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:

<b>Federal Program</b>	<b>Federal CFDA Number</b>
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

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2013**

**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, 2012.