

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

FINANCIAL STATEMENTS

**JUNE 30, 2017 WITH SUMMARIZED INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016**

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
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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, 2017, 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.

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121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386-257-4100

133 East Indiana Avenue
DeLand, FL 32724-4329
Telephone: 386-738-3300

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850-386-6184

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, 2017, 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

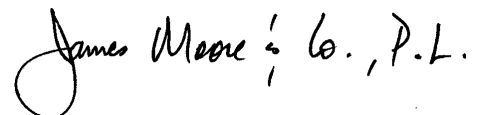
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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.

Report on Summarized Comparative Information

We have previously audited Florida Alliance for Assistive Services and Technology, Inc.'s June 30, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 6, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2018 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.

James Moore & Co., P.L.

Tallahassee, Florida
January 4, 2018

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2017 WITH SUMMARIZED
INFORMATION AS OF JUNE 30, 2016

	<u>ASSETS</u>	
	<u>2017</u>	<u>2016</u>
Current assets		
Cash and cash equivalents	\$ 420,871	\$ 401,644
Grants and contracts receivable	428,686	497,238
Current portion of notes receivable	48,736	21,000
Investments	2,433,226	2,436,081
Prepaid expenses	14,507	1,639
Total current assets	<u>3,346,026</u>	<u>3,357,602</u>
Furniture and equipment, net	96,144	12,714
Other assets		
Notes receivable, less current portion	118,955	71,683
Total Assets	<u>\$ 3,561,125</u>	<u>\$ 3,441,999</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
Current liabilities		
Accounts payable and accrued expenses	<u>\$ 121,748</u>	<u>\$ 50,310</u>
Net assets		
Unrestricted	734,322	779,040
Temporarily restricted	2,705,055	2,612,649
Total net assets	<u>3,439,377</u>	<u>3,391,689</u>
Total Liabilities and Net Assets	<u>\$ 3,561,125</u>	<u>\$ 3,441,999</u>

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

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017 WITH SUMMARIZED INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

	2017			2016
	Unrestricted	Temporarily Restricted	Total	Total
Support and revenue				
Grants and contracts	\$ 1,288,730	\$ -	\$ 1,288,730	\$ 1,093,633
Contributions	19,047	-	19,047	13,749
Investment returns	-	245,903	245,903	251,308
Interest from notes receivable	-	6,223	6,223	1,672
Other income	3,760	-	3,760	10,573
Net assets released from restrictions	159,720	(159,720)	-	-
Total support and revenue	<u>1,471,257</u>	<u>92,406</u>	<u>1,563,663</u>	<u>1,370,935</u>
Expenses				
Program services				
Assistive Technology Programs	1,293,331	-	1,293,331	1,110,586
Loan Programs	186,022	-	186,022	146,308
Total program services	<u>1,479,353</u>	<u>-</u>	<u>1,479,353</u>	<u>1,256,894</u>
Support services				
Administrative	36,622	-	36,622	70,135
Total expenses	<u>1,515,975</u>	<u>-</u>	<u>1,515,975</u>	<u>1,327,029</u>
Increase (decrease) in net assets	<u>(44,718)</u>	<u>92,406</u>	<u>47,688</u>	<u>43,906</u>
Net assets, beginning of year	779,040	2,612,649	3,391,689	3,347,783
Net assets, end of year	<u>\$ 734,322</u>	<u>\$ 2,705,055</u>	<u>\$ 3,439,377</u>	<u>\$ 3,391,689</u>

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

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017 WITH SUMMARIZED INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

	2017				2016
	Program Services		Supporting Services		Total
	Assistive Technology Programs	Loan Programs	Administrative	Total	
Subcontractors and materials	\$ 661,152	\$ -	\$ 301	\$ 661,453	\$ 708,237
Salaries and benefits	388,946	116,259	5,633	510,838	334,874
Rent	30,415	4,560	1,920	36,895	24,071
Telephone and utilities	9,815	2,486	785	13,086	12,669
Insurance	7,277	1,694	657	9,628	8,950
Supplies	21,503	6,417	4,166	32,086	17,304
Travel and meetings	49,087	7,741	5,564	62,392	59,046
Professional fees	87,934	37,365	8,098	133,397	127,079
Office	27,744	1,775	4,820	34,339	12,908
Depreciation and amortization	4,262	4,263	4,263	12,788	8,122
Publications and subscriptions	1,978	501	158	2,637	5,210
Marketing	3,218	2,961	257	6,436	8,559
Total	<u>\$ 1,293,331</u>	<u>\$ 186,022</u>	<u>\$ 36,622</u>	<u>\$ 1,515,975</u>	<u>\$ 1,327,029</u>

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

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017 WITH SUMMARIZED
INFORMATION FOR THE YEAR ENDED JUNE 30, 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Cash received from grantors and contractors	\$ 1,301,321	\$ 1,218,109
Cash paid to employees, vendors, and sub-recipients	(1,444,617)	(1,299,581)
Interest income from notes receivable	6,223	1,672
Investment income received	53,608	92,038
Other income received	3,760	10,573
Net cash provided by (used in) operating activities	<u>(79,705)</u>	<u>22,811</u>
Cash flows from investing activities		
Purchases of furniture and equipment	(96,218)	(2,854)
Purchases of investments	(126,557)	(2,432,406)
Sales of investments	321,707	2,455,191
Net cash provided by investing activities	<u>98,932</u>	<u>19,931</u>
Net increase in cash and cash equivalents	<u>19,227</u>	<u>42,742</u>
Cash and cash equivalents, beginning of year	401,644	358,902
Cash and cash equivalents, end of year	<u><u>\$ 420,871</u></u>	<u><u>\$ 401,644</u></u>
Reconciliation of increase in net assets to net cash provided by (used in) operating activities		
Increase in net assets	<u>\$ 47,688</u>	<u>\$ 43,906</u>
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	12,788	8,122
Unrealized gain on investments	(192,295)	(159,270)
Decrease in grants and contracts receivable	68,552	203,410
Increase in prepaid expenses	(12,868)	(1,472)
Increase in notes receivable	(75,008)	(92,683)
Increase in accounts payable and accrued expenses	71,438	20,798
Total adjustments	<u>(127,393)</u>	<u>(21,095)</u>
Net cash provided by (used in) operating activities	<u><u>\$ (79,705)</u></u>	<u><u>\$ 22,811</u></u>

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, 2017

(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 is 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 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, 2017

(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) **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.

(j) **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.

(k) **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.

(l) **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.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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

(m) **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.

(n) **Notes Receivable**—Notes receivable are reported at their outstanding principal balance. Notes receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the financial condition of the borrowers, the estimated value of the underlying collateral, and current economic conditions.

(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.

(c) **Notes Receivable**—The Organization's notes receivable are amounts due with individuals. The Organization has a policy of requiring collateral to support the notes receivable.

(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 an indirect loan funding agreement with a national bank. The terms of the agreement require the Organization to pledge cash or investments as

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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

collateral equal to 30% of the loan amounts guaranteed under the program. At June 30, 2017, the Organization has guaranteed loans under the funding agreements totaling \$4,296 and has recorded \$2,705,055 as restricted cash and investments related to these loan programs. In the event of default on a guaranteed loan, the Organization will be responsible for purchasing the loan, from the national bank, at par value (principal, interest, fees and other charges due) on any guaranteed loan that becomes 90 days delinquent. The loans guaranteed have various maturity dates through July, 2018.

(5) **Notes Receivable:**

As of June 30, 2017, the Organization held various notes receivable with interest rates ranging from 5.00% to 5.50% due from individuals, both secured by equipment and unsecured, being repaid in monthly payments ranging from \$26 to \$413 including interest, with maturity dates ranging from January 1, 2018 to August 15, 2022.

Interest revenue for the related notes receivable totaled \$6,233 for the year ended June 30, 2017 and is recognized in the Statement of Activities. The current portion of notes receivable is \$48,736 as of June 30, 2017.

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

Fair values of assets measured on a recurring basis at June 30, 2017 are as follows:

	Fair Value	Fair Value Measurements at Reporting Date Using Quoted Prices In Active Markets For Identical Assets (Level 1)
Fixed income securities and bonds	\$ 2,433,226	\$ 2,433,226

The investment return is classified in the Statement of Activities as follows:

Temporarily restricted	\$ 245,903
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Investments at June 30, 2017 consisted of the following:

	Cost	Fair Value	Unrealized Gain (Loss)
Fixed income securities and bonds	\$ 2,240,931	\$ 2,433,226	\$ 192,295

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 THE FINANCIAL STATEMENTS
JUNE 30, 2017

(7) **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, 2017 were \$17,491.

(8) **Furniture and Equipment:**

The following is a summary of furniture and equipment at June 30, 2017:

Furniture and Equipment	\$ 195,668
Interactive Learning Modules	54,000
Less: Accumulated depreciation and amortization	<u>(153,524)</u>
Total	<u>\$ 96,144</u>

(9) **Recently Issued Accounting Pronouncements:**

The Financial Accounting Standards Board (FASB) issued new or modifications to, or interpretations of, existing accounting guidance. The Organization has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements below, does not believe that any other new or modified principles will have a material impact on the Organization’s reported financial position or operations in the near term.

In May 2014, the FASB issued Accounting Standards Update 2014-09: Revenue from Contracts with Customers, to clarify the principles used to recognize revenue for all entities. The new standard (as amended) is effective for fiscal years beginning after December 15, 2018 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

In February 2016, the FASB issued Accounting Standards Update 2016-02: Leases (Topic 842), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the Statement of Financial Position and disclosing key information about leasing arrangements. The new standard is effective for fiscal years beginning after December 15, 2019 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

In August 2016, the FASB issued Accounting Standards Update 2016-14: Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, to make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities, including net asset classification requirements and the information presented about an entity’s liquidity, financial performance, and cash flows. The new standard is effective for fiscal years beginning after December 15, 2017 and may be adopted early. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial position, results of operations, and cash flows.

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

(10) **Subsequent Events:**

The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through January 4, 2018, 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, 2017

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Award Number	Pass-Through to Subrecipients	Expenditures
U.S. Department of Education				
Passed through Florida Department of Education Assistive Technology	84.224	11-101	\$ 90,000	\$ 132,523
Passed through the University of Miami Special Education Educational Technology Media, and Materials for Individuals with Disabilities	84.327	667968	-	183,437
U.S. Department of Health and Human Services				
Passed through Florida Department of Education ACL Assistive Technology	93.464	17-126	187,500	528,354
Total Federal Awards			<u>\$ 277,500</u>	<u>\$ 844,314</u>

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

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal award activity of The 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 audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

(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 allowed or are limited as to reimbursement.

(3) **De Minimis:**

Florida Alliance for Assistive Services and Technology, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

**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,
The 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 The Florida Alliance for Assistive Services and Technology, Inc., which comprise the statement of financial position as of June 30, 2017, 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 January 4, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The 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 The Florida Alliance for Assistive Services and Technology, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness The Florida Alliance for Assistive Services and Technology, Inc.'s internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

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 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. We consider deficiency 2017-001 listed in the Schedule of Findings and Questioned Costs to be a significant deficiency.

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121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386-257-4100

133 East Indiana Avenue
DeLand, FL 32724-4329
Telephone: 386-738-3300

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850-386-6184

Compliance and Other Matters

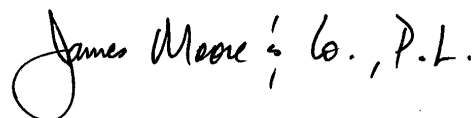
As part of obtaining reasonable assurance about whether The Florida Alliance for Assistive Services and Technology, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance 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*.

Florida Alliance for Assistive Services and Technology, Inc.'s Response to Findings

Florida Alliance for Assistive Services and Technology, Inc.'s response to the finding identified in our audit is described in the accompanying Corrective Action Plan. Florida Alliance for Assistive Services and Technology, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J" and a stylized "M".

Tallahassee, Florida
January 4, 2018

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited The Florida Alliance for Assistive Services and Technology, Inc.'s compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement*, that could have a direct and material effect on The Florida Alliance for Assistive Services and Technology, Inc.'s major Federal program for the year ended June 30, 2017. The Florida Alliance for Assistive Services and Technology, Inc.'s major Federal program is 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 The Florida Alliance for Assistive Services and Technology, Inc. major federal program 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 the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Florida Alliance for Assistive Services and Technology, Inc. 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 The Florida Alliance for Assistive Services and Technology, Inc.'s compliance.

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Opinion on Each Major Federal Program

In our opinion, The 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 its major Federal program for the year ended June 30, 2017.

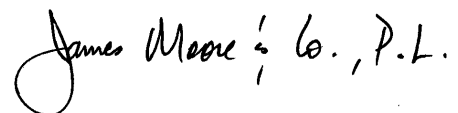
Report on Internal Control Over Compliance

Management of The 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 The 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

James Moore & Co., P.L.

Tallahassee, Florida
January 4, 2018

**FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2017**

I. Summary of Auditors' Results:

Financial Statements

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

Internal control over financial reporting:

- Material weakness (es) identified? _____ yes X no
- Significant deficiencies identified? X yes _____ 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: *Unmodified*

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major programs:

Federal Program	Federal CFDA Number
ACL Assistive Technology	93.464

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

Auditee qualified as a low risk auditee? _____ yes X no

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2017
(Continued)

II. Financial Statement Findings:

Finding 2017-001: Dual Signatures

Criteria: The Organization requires dual signatures on checks greater than \$12,000.

Condition: In our test of disbursements, we noted where the dual signature requirement is not always followed.

Cause: Unknown.

Effect or Potential Effect: Disbursements could be made without following Organization Policy.

Recommendation: We recommend the Organization follow its' policies and procedures.

III. Federal Award Findings and Questioned Costs: None.

IV. Summary of Prior Year Finding:

Finding 2016-001: Onsite Sub-recipient Monitoring: Resolved

FLORIDA ALLIANCE FOR ASSISTIVE SERVICES AND TECHNOLOGY, INC.
CORRECTIVE ACTION PLAN
JUNE 30, 2017

The Organization has operated under a policy of a dual signature check signing threshold to insure proper management and disbursement of organizational funds.

To provide stronger safeguards to this existing policy, the Organization will begin adding the following steps for checks and disbursement requests meeting the threshold requirements:

The Organization bookkeeper will identify and mark any check and check request form that is for any amount over \$12,000, indicating that two signatures are required.

The Executive Director or designated authorized check signer will receive the checks from the bookkeeper and after signing will deliver the check to the second authorized check signer.

The second authorized check signer will deliver the check with two signatures back to the bookkeeper for disbursement.

Any check received back to the bookkeeper requiring two signatures that has not been signed by two authorized signers will immediately be returned to the Executive Director to insure a second signature is received.

While the Organization has maintained the dual signature check signing policy with success and has had no instances of improper disbursement of funds that negatively impacted the Organization, the added measures will assist in making sure the policy is followed at all times with no repeat occurrences of the finding presented in the audit.