

**FLORIDA'S  
VISION QUEST, INC.**

**Audited Financial Statements  
and Supplementary  
Information**

**June 30, 2017**

## TABLE OF CONTENTS

	Page
<b>INDEPENDENT AUDITORS' REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13
<b>SUPPLEMENTARY INFORMATION</b>	
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 <i>Government Auditing Standards</i>	14 - 15
Independent Auditors' Report on Compliance for each Major State Project and Report on Internal Control over Compliance Required by Chapter 10.650, Rules of the Auditor General	16 - 17
Schedule of Findings and Questioned Costs	18
Schedule of Expenditures of State Financial Assistance	19



## INDEPENDENT AUDITORS' REPORT

### *Partners*

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Cameron  
Bob P. Marchewka  
Ric Perez  
James R. Dexter  
Thomas F. Regan  
Ernie R. Janvrin  
Paul F. Smyth  
Darby M. Hauck

To the Board of Directors of  
Florida's Vision Quest, Inc.  
Orange City, Florida

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

We have audited the accompanying financial statements of Florida's Vision Quest, Inc. (a nonprofit organization), 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 auditors' 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's Vision Quest, 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.

501 S. New York Ave.  
Suite 100  
Winter Park, FL 32789  
Phone: 407-644-5811  
Fax: 407-644-6022  
[www.mosskrusick.com](http://www.mosskrusick.com)

631 US Highway 1  
Suite 411  
N. Palm Beach, FL 33408  
Phone: 561-848-9300  
Fax: 561-848-9332

American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
Accountants

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of State financial assistance, as required by the Department of Financial Services Rule 69I-5.003, Florida Administrative Code, 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 December 19, 2017, on our consideration of Florida's Vision Quest, 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's Vision Quest, Inc.'s internal control over financial reporting and compliance.

*Moss, Krusick & Associates, LLC*

December 19, 2017  
Winter Park, Florida

Florida's Vision Quest, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2017

ASSETS

**ASSETS**

Cash and cash equivalents	\$	196,449
Investments (including \$152,797 restricted for collateral)		421,149
Grants and other receivables		61,192
Related party receivable		936
Property and equipment, net		1,032,181
Other assets		1,848
		<hr/>
Total assets	\$	<u>1,713,755</u>

LIABILITIES AND NET ASSETS

**LIABILITIES**

Accounts payable and accrued expenses	\$	92,058
Accrued wages and related benefits		79,126
Notes payable – real property		636,771
		<hr/>
Total liabilities		<u>807,955</u>

**NET ASSETS**

Unrestricted		<u>905,800</u>
		<hr/>
Total net assets		<u>905,800</u>
		<hr/>
Total liabilities and net assets	\$	<u>1,713,755</u>

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

**Florida's Vision Quest, Inc.**

**STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2017**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND OTHER SUPPORT</b>			
State program	\$ 999,995	\$ -	\$ 999,995
Private grants	627,129	59,000	686,129
Program income	180,000	-	180,000
Lease income	34,178	-	34,178
In-kind	21,856	-	21,856
Contributions	13,043	-	13,043
Investment income	6,011	-	6,011
Other income	2,537	-	2,537
Net assets released from restrictions	124,445	(124,445)	-
	2,009,194	(65,445)	1,943,749
<b>EXPENSES</b>			
Program services	1,908,802	-	1,908,802
General and administrative	164,449	-	164,449
Fundraising	7,567	-	7,567
	2,080,818	-	2,080,818
Increase (decrease) in net assets	(71,624)	(65,445)	(137,069)
Net assets, beginning of period	977,424	65,445	1,042,869
Net assets, end of period	\$ 905,800	\$ -	\$ 905,800

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

## Florida's Vision Quest, Inc.

### STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2017

	Program Services			Support Services		Total Expenses
	Other Funding	State Contract Funding	Total	General and Administrative	Fundraising	
Salaries and benefits	\$ 110,912	\$ 455,175	\$ 566,087	\$ 107,823	\$ 5,503	\$ 679,413
Mobile unit expense	342,613	171,364	513,977	-	-	513,977
Kid's glasses	253,391	259,313	512,704	-	-	512,704
Depreciation	69,797	32,886	102,683	19,558	998	123,239
Consultants	42,733	20,104	62,837	-	-	62,837
Interest expense	-	18,754	18,754	15,727	-	34,481
Office expenses	11,215	15,546	26,761	5,097	260	32,118
Travel	13,790	6,863	20,653	3,934	200	24,787
In-kind contributions	21,856	-	21,856	-	-	21,856
Telephone	3,643	11,158	14,801	2,819	144	17,764
Legal and accounting	5,697	5,460	11,157	2,125	108	13,390
Insurance	1,145	8,639	9,784	1,864	95	11,743
Repairs and maintenance	4,039	3,411	7,450	1,419	73	8,942
Utilities	775	4,076	4,851	924	47	5,822
Equipment lease	1,976	2,554	4,530	863	44	5,437
Dues and subscriptions	1,442	3,015	4,457	849	43	5,349
Seminars and training	1,755	682	2,437	464	24	2,925
Postage	558	1,856	2,414	460	23	2,897
Background checks	-	119	119	429	-	548
Licenses and fees	84	299	383	73	4	460
Marketing	98	-	98	19	1	118
Rent and property tax	9	-	9	2	-	11
<b>TOTAL EXPENSES</b>	<b>\$ 887,528</b>	<b>\$ 1,021,274</b>	<b>\$ 1,908,802</b>	<b>\$ 164,449</b>	<b>\$ 7,567</b>	<b>\$ 2,080,818</b>

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

**Florida's Vision Quest, Inc.**  
**STATEMENT OF CASH FLOWS**  
**Year Ended June 30, 2017**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Decrease in net assets	\$ (137,069)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	123,239
Investment income	(6,011)
Gain on sale of equipment	426
Changes in operating assets and liabilities:	
Increase in other assets	381
Decrease in related party receivable	(709)
Increase in grants and other receivable	7,754
Increase in accounts payable and accrued expenses	69,269
Decrease in accrued wages and related benefits	<u>(17,023)</u>
Net cash provided by operating activities	<u>40,257</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property and equipment	(103,053)
Proceeds on sale of equipment	<u>1,583</u>
Net cash used in investing activities	<u>(101,470)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Payments on notes payable	<u>(30,888)</u>
Net cash used in financing activities	<u>(30,888)</u>
Net decrease in cash and cash equivalents	(92,101)
Cash and cash equivalents, beginning of year	<u>288,550</u>
Cash and cash equivalents, end of year	<u><u>\$ 196,449</u></u>
<b>SUPPLEMENTAL DISCLOSURE</b>	
Interest paid	<u><u>\$ 34,481</u></u>

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



Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

1. Organization and Purpose

Florida's Vision Quest, Inc. (the "Organization") was incorporated in Florida on September 6, 1994, as a nonprofit organization. The Organization seeks to provide Florida children who are visually impaired with the opportunity to realize their learning and social development potential by providing them with no cost eye examinations and glasses.

2. Revenue and Expense Recognition

The Organization recognizes private grants, State contract revenue, and other revenues, and expenses on the accrual basis. Support and revenues from grants and contracts are generally recognized as eligible costs are incurred and/or as required services are performed.

3. Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted Net Assets - Net assets not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

4. Income Taxes

The Organization received its notice of qualification from the Internal Revenue Service (IRS) dated December 1994 as an organization exempt from income taxes under Internal Revenue code section 501(c)(3), and is not considered a private foundation. Accordingly, no provision or benefit for income taxes has been reflected in the accompanying financial statements.

Management has analyzed the Organization's various federal and state filing positions and believes that its income tax filing positions and deductions are well documented and supported, and no accruals for tax liabilities are necessary. Therefore, no reserves for uncertain income tax positions have been recorded. The Organization remains subject to examination by the IRS for the years ended June 30, 2014, through June 30, 2017.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

5. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

6. Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. 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. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

7. Fair Value of Investments

U.S. GAAP for fair value measurements establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to quoted market prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

The carrying amounts of the Organization's financial assets and liabilities, such as cash and equivalents, accounts receivable and payable, and mortgage note payable approximates their fair values because of the short maturity or market interest rates of these instruments.

8. Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

9. Grants and Other Receivables

The Organization considers all grants and other receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. In-Kind Contributions

Donated equipment, inventory and facilities are recorded as contributions at their estimated fair values at the date of donation. A significant number of volunteers have contributed significant amounts of their time to the Organization's programs and management. Contributions of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In accordance with the above criteria, the Organization has recognized \$21,856 of professional services as both in-kind revenue and in-kind expense for the year ended June 30, 2017.

11. Property and Equipment

Property and equipment is stated at cost or estimated fair value at date of gift, if donated. Assets are capitalized when the purchase price exceeds \$500 and the estimated useful life is more than one year. Depreciation is recorded using the straight-line method over the following estimated useful lives:

Equipment	5-7 years
Furniture and fixtures	5-7 years
Leasehold improvements	10-15 years
Office equipment	5 years
Mobile unit	5 years
Building	39 years

12. Functional Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated between the programs and supporting services benefited.

13. Concentration of Credit Risk and Revenue Concentration

The Organization maintains its cash and investments in deposit accounts in a bank covered by the Federal Deposit Insurance Corporation (FDIC). The FDIC insures the first \$250,000 of balances per depositor per institution. The Organization, which had \$377,117 on deposit in excess of federally insured limits at June 30, 2017, has not incurred any losses due to uninsured amounts.

A substantial portion of the Organization's revenues were from a State contract covering payment of vision services provided by the Organization. The contract stipulated, among other things, that payment for services is contingent upon available funds.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

**NOTE A – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

14. Recent Accounting Pronouncements

The Financial Accounting Standards Board recently issued new accounting pronouncements on revenue recognition presentation of not-for-profit financial statements, and lease accounting, which are effective beginning in 2018 to 2020. Early adoption is permitted. The Organization is evaluating the impact of the new pronouncements on its financial statements.

15. Subsequent Events

Management has evaluated the effect subsequent events would have on the financial statements through the date these financial statements were available to be issued on December 19, 2017.

**NOTE B – INVESTMENTS**

Investments at June 30, 2017, consist of 5-year, bank certificates of deposit with maturity dates of June 30, 2021 and July 13, 2021. The Organization plans to use the investments to pay for future repair and purchase or replacement of equipment, including its mobile unit, and in fulfilling possible future obligations relating to the purchase and dispensing of glasses under the contract with the State of Florida Department of Health following completion thereof.

At June 30, 2016, \$152,797 of the investments serve as collateral for a note payable discussed in Note G.

Investments, which fair value was based on Level II fair value inputs, consist of the following at June 30, 2017:

	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	\$ 421,149	\$ 421,149

Interest income earned on investments for the year ended June 30, 2017, was \$6,011.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

**NOTE C – PROPERTY AND EQUIPMENT**

At June 30, 2017, property and equipment consists of the following:

Building	\$ 1,110,500
Mobile unit	256,190
Office equipment	126,531
Leasehold improvements	103,899
Equipment	92,021
Furniture and fixtures	<u>24,384</u>
	1,713,525
Less: accumulated depreciation	<u>(681,344)</u>
Net property and equipment	<u>\$ 1,032,181</u>

Depreciation expense for the year ended June 30, 2017, was \$123,239.

**NOTE D – STATE OF FLORIDA CONTRACT**

In July 2016, the Organization and the Department of Health entered into a fee-for-services contract, which provided for total awards not to exceed \$1,000,000 through June 2017. Total awards under the fee-for-services contract were \$999,995, for fiscal 2017. Grants and other receivables include \$53,764 due from the Department of Health at June 30, 2017.

For fiscal 2018, the Organization has entered into another fee-for-services contract with the Department of Health not to exceed \$1,000,000 for services rendered through June 30, 2018.

**NOTE E – DEFINED CONTRIBUTION PLAN**

The Organization established a 401K Retirement Plan (the "Plan") effective July 1, 2000, for all qualifying employees. Employees must have one year of service and be over 21 years of age to qualify for the Plan. Employees are awarded monies toward their 401K when monies are readily available. For the fiscal year ended June 30, 2017, matching contributions to the Plan totaled \$0.

**NOTE F – RELATED PARTY TRANSACTIONS**

VisionQuest Lab, LLC, ("the Lab") is a wholesale discount eyeglass manufacturer, which was owned by a related party, who is Founder and President of the Organization, until March 2016 when the interests in the Lab were sold to the Executive Director of the Organization. During fiscal 2017, the Organization purchased \$512,704 of finished eyeglasses from the Lab. As of June 30, 2017, accounts payable and accounts receivable with the lab totaled \$50,885 and \$936, respectively.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

**NOTE G – NOTES PAYABLE – REAL PROPERTY**

The Organization has two mortgage notes payable to First Green Bank, with original principal balances totaling \$790,000, one for \$595,000 with interest at 5.75%, secured by the Organization's building, and the other for \$195,000 at 3.4%, secured by the Organization's building and by a certificate of deposit with First Green Bank. Both mortgage note payables mature on July 13, 2021. The notes are payable based on a 20-year amortization with a 10-year balloon with monthly payments of principal and interest of \$4,207 and \$1,241, respectively. Aggregate principal maturities for the five years succeeding June 30, 2017, and thereafter, are as follows:

2018	\$ 31,115
2019	32,847
2020	34,675
2021	36,607
2022	38,648
Thereafter	<u>462,879</u>
	<u>\$ 636,771</u>

**NOTE H – TEMPORARILY RESTRICTED NET ASSETS**

Net assets released from restrictions during the year ended June 30, 2017, were as follows:

Satisfaction of use and time restrictions:	
Suncoast Schools FCU Foundation	\$ 50,000
Wal-Mart Foundation	33,137
Joseph G. Markoly Foundation	13,000
Suncoast for Kids Foundation	10,308
W & H Thomas Charitable Trust	10,000
VNA Foundation	5,000
Amaturo Family Foundation, Inc.	2,500
Lee Foundation	<u>500</u>
	<u>\$ 124,445</u>

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

**NOTE I – OPERATING LEASES**

The Organization has non-cancellable operating leases for office equipment with lease terms ending on various dates through June 1, 2022. Future fixed lease payments are the following for the fiscal years ending June 30:

2018	\$	6,687
2019		6,687
2020		6,687
2021		6,687
2022		6,687
Thereafter		<u>981</u>
	\$	<u>34,416</u>

Rental expense for the year ended June 30, 2017 was \$5,437.

**SUPPLEMENTARY INFORMATION**





**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**

**Partners**

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Cameron  
Bob P. Marchewka  
Ric Perez  
James R. Dexter  
Thomas F. Regan  
Ernie R. Janvrin  
Paul F. Smyth  
Darby M. Hauck

To the Board of Directors of  
Florida's Vision Quest, Inc.  
Orange City, Florida

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's Vision Quest, Inc. (a nonprofit organization), 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 December 19, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Florida's Vision Quest, 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's Vision Quest, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

501 S. New York Ave.  
Suite 100  
Winter Park, FL 32789  
Phone: 407-644-5811  
Fax: 407-644-6022  
[www.mosskrusick.com](http://www.mosskrusick.com)

631 US Highway 1  
Suite 411  
N. Palm Beach, FL 33408  
Phone: 561-848-9300  
Fax: 561-848-9332

American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
Accountants

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Florida's Vision Quest, 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 Florida's Vision Quest, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
December 19, 2017



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

**Partners**

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Cameron  
Bob P. Marchewka  
Ric Perez  
James R. Dexter  
Thomas F. Regan  
Ernie R. Janvrin  
Paul F. Smyth  
Darby M. Hauck

To the Board of Directors of  
Florida's Vision Quest, Inc.  
Orange City, Florida

**Report on Compliance for Each Major Project**

We have audited Florida's Vision Quest, Inc.'s compliance with the types of compliance requirements described in the Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of Florida's Vision Quest, Inc.'s (the "Organization") major projects for the year ended June 30, 2017. The Organization's major projects 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 projects.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major projects 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 Chapter 10.650, Rules of the Auditor General. Those standards 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 projects occurred. An audit includes examining, on a test basis, evidence about the Organization'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 project. However, our audit does not provide a legal determination of the Organization's compliance.

**Opinion on Each Major Project**

In our opinion, the Organization 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 projects for the year ended June 30, 2017.

501 S. New York Ave.  
Suite 100  
Winter Park, FL 32789  
Phone: 407-644-5811  
Fax: 407-644-6022  
www.mosskrusick.com

631 US Highway 1  
Suite 411  
N. Palm Beach, FL 33408  
Phone: 561-848-9300  
Fax: 561-848-9332

American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
Accountants

## ***Report on Internal Control over Compliance***

Management of the Organization 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 Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, 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 Organization'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 project 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 project 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 project 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 Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
December 19, 2017

Florida's Vision Quest, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2017

**Section I – Summary of Auditors’ Results**

**Financial Statements**

- 1. Type of auditors’ report issued: Unmodified
- 2. Internal control over financial reporting:
  - a. Material weakness(es) identified? No
  - b. Significant deficiencies identified that are not considered to be material weaknesses? None reported
- 3. Noncompliance material to financial statements noted? No

**State Financial Assistance**

- 1. Type of auditors’ report issued on compliance for major projects: Unmodified
- 2. Internal control over major projects:
  - a. Material weakness(es) identified? No
  - b. Significant deficiencies identified that are not considered to be material weaknesses? None reported
- 3. Audit findings disclosed that are required to be reported in accordance with the Florida Single Audit Act and Chapter 10.650, Rules of the Auditor General No
- 4. Dollar threshold used to distinguish between Type A and Type B projects \$750,000

Identification of major projects:

<u>Name of State Project</u>	<u>CSFA Number</u>
Public School Vision Program	64.047

**Section II – Financial Statement Findings**

None (there are no items related to State financial assistance required to be reported in the management letter; therefore, no management letter issued).

**Section III – State Projects Findings and Questioned Costs**

None (there are no items related to State financial assistance required to be reported in the management letter; therefore, no management letter issued).

**Section IV - Status of Prior Year Audit Findings**

There were no prior year audit findings.

Florida's Vision Quest, Inc.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2017

<u>State Agency/ Project Title</u>	<u>CSFA No.</u>	<u>Contract Grant Number</u>	<u>Contract Time Period</u>	<u>Program Award</u>	<u>Current Year Expenditures</u>
Department of Health Public School Vision Program	64.047	COHF7-R2	07/01/16–06/30/17	\$ 1,000,000	\$ 999,995

Footnote:

The accompanying schedule of expenditures of State financial assistance is presented on the accrual basis of accounting. The information in this schedule is prepared in accordance with Chapter 69I-5, Rules of the Florida Department of Financial Services, Florida Administrative Code, *State Financial Assistance*.

See independent auditors' report.