

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

**Audited Financial Statements  
and Supplementary  
Information**

**June 30, 2018**

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**INDEPENDENT AUDITORS' REPORT**

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, 2018, 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, 2018, 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**

### *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 awards, 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 October 18, 2018, 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*

October 18, 2018  
Winter Park, Florida

Florida's Vision Quest, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2018

ASSETS

ASSETS

Cash and cash equivalents	\$	224,743
Investments (including \$145,546 restricted for collateral)		310,131
Property and equipment, net		<u>949,819</u>
Total assets	\$	<u><u>1,484,693</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$	41,188
Accrued wages and related benefits		82,042
Notes payable – real property		<u>605,757</u>
Total liabilities		<u>728,987</u>

NET ASSETS

Unrestricted		<u>755,706</u>
Total net assets		<u>755,706</u>
Total liabilities and net assets	\$	<u><u>1,484,693</u></u>

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

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

**STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2018**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND OTHER SUPPORT</b>			
State program	\$ 1,000,000	\$ -	\$ 1,000,000
Private grants	568,302	54,800	623,102
Program income	180,000	-	180,000
Lease income	33,926	-	33,926
In-kind	22,650	-	22,650
Contributions	93,757	-	93,757
Investment income	4,354	-	4,354
Other income	1,834	-	1,834
Net assets released from restrictions	54,800	(54,800)	-
	1,959,623	-	1,959,623
<b>EXPENSES</b>			
Program services	1,918,518	-	1,918,518
General and administrative	183,540	-	183,540
Fundraising	7,659	-	7,659
	2,109,717	-	2,109,717
Increase (decrease) in net assets	(150,094)	-	(150,094)
Net assets, beginning of period	905,800	-	905,800
Net assets, end of period	\$ 755,706	\$ -	\$ 755,706

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

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

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended June 30, 2018**

	Program Services			Support Services		Total Expenses
	Other Funding	State Contract Funding	Total	General and Administrative	Fundraising	
Mobile unit expense	\$ 578,404	\$ 179,395	\$ 757,799	\$ -	\$ -	\$ 757,799
Salaries and benefits	112,480	478,055	590,535	112,479	5,741	708,755
Kids' glasses	-	289,758	289,758	-	-	289,758
Depreciation	94,027	-	94,027	17,909	914	112,850
Consultants	49,076	11,140	60,216	-	-	60,216
Travel	26,040	3,899	29,939	5,703	291	35,933
Interest expense	-	-	-	32,057	-	32,057
In-kind contributions	22,650	-	22,650	-	-	22,650
Telephone	13,558	4,387	17,945	3,418	175	21,538
Office expenses	3,205	11,663	14,868	2,832	145	17,845
Insurance	6,570	4,306	10,876	2,072	105	13,053
Legal and accounting	2,337	5,460	7,797	1,485	76	9,358
Dues and subscriptions	4,771	666	5,437	1,036	52	6,525
Equipment lease	1,084	3,747	4,831	920	47	5,798
Utilities	250	4,077	4,327	824	42	5,193
Rent and property tax	3,737	-	3,737	712	36	4,485
Repairs and maintenance	-	2,140	2,140	408	21	2,569
Background checks	-	152	152	1,402	-	1,554
Postage	-	955	955	182	9	1,146
Licenses and fees	78	200	278	53	3	334
Marketing	126	-	126	24	1	151
Seminars and training	125	-	125	24	1	150
<b>TOTAL EXPENSES</b>	<b>\$ 918,518</b>	<b>\$ 1,000,000</b>	<b>\$ 1,918,518</b>	<b>\$ 183,540</b>	<b>\$ 7,659</b>	<b>\$ 2,109,717</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, 2018**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Decrease in net assets	\$ (150,094)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Depreciation	112,850
Investment income	(4,354)
Changes in operating assets and liabilities:	
Increase in other assets	1,848
Increase in related party receivable	936
Increase in grants and other receivable	61,192
Decrease in accounts payable and accrued expenses	(50,870)
Increase in accrued wages and related benefits	<u>2,916</u>
Net cash used in operating activities	<u>(25,576)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of property and equipment	(30,488)
Proceeds from sale of investments	<u>115,372</u>
Net cash provided by investing activities	<u>84,884</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Payments on notes payable	<u>(31,014)</u>
Net cash used in financing activities	<u>(31,014)</u>
Net increase in cash and cash equivalents	28,294
Cash and cash equivalents, beginning of year	<u>196,449</u>
Cash and cash equivalents, end of year	<u>\$ 224,743</u>
<b>SUPPLEMENTAL DISCLOSURE</b>	
Cash paid for interest	<u>\$ 32,057</u>

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



Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2018

**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.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2018

**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, 2018

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 \$22,650 of professional services as both in-kind revenue and in-kind expense for the year ended June 30, 2018.

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 \$299,115 on deposit in excess of federally insured limits at June 30, 2018, 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, 2018

**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 2019 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 October 18, 2018.

**NOTE B – INVESTMENTS**

Investments at June 30, 2018, 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, \$145,546 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, 2018:

	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	\$ 310,131	\$ 310,131

Interest income earned on investments for the year ended June 30, 2018, was \$4,354.

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

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2018**

**NOTE C – PROPERTY AND EQUIPMENT**

At June 30, 2018, property and equipment consists of the following:

Building	\$ 1,110,500
Mobile unit	273,093
Office equipment	126,431
Leasehold improvements	115,599
Equipment	93,906
Furniture and fixtures	<u>14,786</u>
	1,734,315
Less: accumulated depreciation	<u>(784,496)</u>
Net property and equipment	<u>\$ 949,819</u>

Depreciation expense for the year ended June 30, 2018, was \$112,850.

**NOTE D – STATE OF FLORIDA CONTRACT**

In June 2017, 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 2018. Total awards under the fee-for-services contract were \$1,000,000, for fiscal 2018.

For fiscal 2019, 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, 2019.

**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, 2018, matching contributions to the Plan totaled \$56.

**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 2018, the Organization purchased \$289,758 of finished eyeglasses from the Lab. As of June 30, 2018, there are no outstanding receivables or payables with the Lab.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2018

**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 an initial 5.75% and rate change during October 2017 to 4.79%, 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 notes payable 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 \$2,974 and \$2,225, respectively. Aggregate principal maturities for the five years succeeding June 30, 2018, and thereafter, are as follows:

2019	\$ 36,414
2020	38,050
2021	39,761
2022	<u>491,532</u>
	<u>\$ 605,757</u>

**NOTE H – TEMPORARILY RESTRICTED NET ASSETS**

Net assets released from restrictions during the year ended June 30, 2018, were as follows:

Satisfaction of use and time restrictions:

Suncoast Schools FCU Foundation	\$ 21,800
Chatlos Foundation, Inc.	11,250
Edyth Bush Charitable Foundation	11,250
Joseph G. Markoly Foundation	<u>10,500</u>
	<u>\$ 54,800</u>

**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:

2019	\$ 6,687
2020	6,687
2021	6,687
2022	6,687
Thereafter	<u>981</u>
	<u>\$ 27,729</u>

Rental expense for the year ended June 30, 2017 was \$5,798.

**SUPPLEMENTARY INFORMATION**



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**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 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, 2018, 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 October 18, 2018.

**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.



## **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  
October 18, 2018



**Partners**

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**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**

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

**Report on Compliance for Each Major State 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, 2018. The Organization's major State 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 State statutes, regulations, and the terms and conditions of its State projects applicable to its State projects.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Organization's major State 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 State 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 State project. However, our audit does not provide a legal determination of the Organization's compliance.

**Opinion on Each Major State 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 State projects for the year ended June 30, 2018.

## ***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 State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State 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 State 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 State 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 State 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  
October 18, 2018

Florida's Vision Quest, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2018

**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, 2018

<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	COHN2	07/01/17-06/30/18	\$ 1,000,000	\$ 1,000,000

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.