

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

**Audited Financial Statements
and Supplementary
Information**

June 30, 2020

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT FINANCIAL STATEMENTS	1 - 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 16
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 <i>Government Auditing Standards</i>	17 - 18
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	19 - 20
Schedule of Findings and Questioned Costs	21
Schedule of Expenditures of State Financial Assistance	22



INDEPENDENT AUDITORS' REPORT

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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, 2020, 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, 2020, 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.

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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 March 15, 2021, 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

March 15, 2021
Winter Park, Florida

Florida's Vision Quest, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 2020

ASSETS

ASSETS

Cash and cash equivalents	\$	324,193
Investments (including \$131,925 restricted for collateral)		318,873
Grants and other receivables		163,234
Property and equipment, net		<u>963,484</u>
Total assets	\$	<u><u>1,769,784</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$	145,672
Accrued wages and related benefits		59,104
Notes payable – real property		535,218
PPP loan		<u>138,300</u>
Total liabilities		878,294

NET ASSETS

Without donor restrictions		<u>891,490</u>
Total liabilities and net assets	\$	<u><u>1,769,784</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, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT			
State program	\$ 807,344	\$ -	\$ 807,344
Private grants	525,000	27,500	552,500
Program income	190,000	-	190,000
Lease income	26,895	-	26,895
Contributions	5,055	-	5,055
Investment income	3,877	-	3,877
Other income	32,084	-	32,084
Net assets released from restrictions	27,500	(27,500)	-
Total revenue and other support	1,617,755	-	1,617,755
EXPENSES			
Program services	1,513,159	-	1,513,159
General and administrative	128,549	-	128,549
Fundraising	5,999	-	5,999
Total expenses	1,647,707	-	1,647,707
Decrease in net assets	(29,952)	-	(29,952)
Net assets, beginning of period	921,442	-	921,442
Net assets, end of period	\$ 891,490	\$ -	\$ 891,490

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

Florida's Vision Quest, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2020

	Program Services			Support Services		Total Expenses
	Other Funding	State Contract Funding	Total	General and Administrative	Fundraising	
Mobile unit expense	\$ 268,426	\$ 343,202	\$ 611,628	\$ -	\$ -	\$ 611,628
Salaries and benefits	87,201	399,038	486,239	92,614	4,727	583,581
Kids' glasses	215,283	4,120	219,403	-	-	219,403
Depreciation	57,013	-	57,013	10,859	555	68,427
Consultants	42,923	5,807	48,730	-	-	48,730
Interest expense	-	15,808	15,808	9,994	-	25,802
Telephone	12,681	4,726	17,407	3,316	169	20,892
Travel	13,708	1,056	14,764	2,812	144	17,720
Office expenses	3,696	11,579	15,275	2,909	149	18,332
Legal and accounting	1,704	6,045	7,749	1,476	75	9,300
Insurance	1,408	4,996	6,404	1,220	62	7,686
Equipment lease	865	4,331	5,196	990	50	6,236
Postage	2,378	766	3,144	599	30	3,773
Rent and property tax	2,615	-	2,615	410	21	3,046
Repairs and maintenance	842	942	1,784	340	17	2,141
Background checks	-	-	-	1,010	-	1,010
TOTAL EXPENSES	\$ 710,743	\$ 802,416	\$ 1,513,159	\$ 128,549	\$ 5,999	\$ 1,647,707

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

Florida's Vision Quest, Inc.
STATEMENT OF CASH FLOWS
Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$ (29,952)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	68,427
Investment income	(4,054)
Changes in operating assets and liabilities:	
Increase in grants and other receivable	(129,372)
Increase in accounts payable and accrued expenses	122,474
Decrease in accrued wages and related benefits	<u>(18,570)</u>
Net cash provided by operating activities	<u>8,953</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	<u>(503)</u>
Net cash used by investing activities	<u>(503)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on notes payable	(33,563)
Proceeds from PPP loan	<u>138,300</u>
Net cash provided by investing activities	<u>104,737</u>
Net increase in cash and cash equivalents	113,187
Cash and cash equivalents, beginning of year	<u>211,006</u>
Cash and cash equivalents, end of year	<u><u>\$ 324,193</u></u>
SUPPLEMENTAL DISCLOSURE	
Cash paid for interest	<u><u>\$ 25,802</u></u>

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

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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 accompanying financial statements and accompanying schedules have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. From time to time the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Board may designate a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing the Organization's long-term financial viability.

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed restrictions, time and/or purpose restrictions.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statement of activities as net assets released from restrictions.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

3. Basis of Presentation (continued)

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

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.

5. 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 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 donations with restrictions that increases those net asset classes. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions 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 without donor restriction.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

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 cash 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 and 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. Grant 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.

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 had no in-kind revenue or expense for the year ended June 30, 2020.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

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 \$393,068 on deposit in excess of federally insured limits at June 30, 2020, 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, 2020

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

14. Revenue and Support Recognition

In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (ASC 606), which amends the existing accounting standards for revenue recognition. ASC 606 is based on principles that govern the recognition of revenue at an amount an entity expects to be entitled when contract performance obligations are met. The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied.

In June 2018, the FASB issued ASU No. 2018-08, Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

The Organization adopted ASC 606 and ASC 958-605 and all related amendments effective July 1, 2019. The adoption had no significant impact on the Organization's financial statements.

Revenues from grants are recorded based upon terms of the grant agreement, which generally provide that revenues are earned when the units of service have been provided. Accordingly, revenues unearned are deferred until the service has been provided. Revenues are subject to audit by the grantor and, if the examination results in a disallowance of any expenditure, repayment could be required. Grants are generally deemed to be exchange transactions.

Contributions received are recorded as with donor and without donor restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. Contributions are generally recognized as revenue when received or designated at a point in time and when any barriers to recognition have been overcome. Contributions received generally do not have a right of return.

15. Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, Leases, that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

15. Recent Accounting Pronouncements (continued)

For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The new guidance is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Organization is evaluating the potential effects ASU 2016-02 will have on its financial statements.

16. 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 March 15, 2021.

NOTE B – INVESTMENTS

Investments at June 30, 2020, 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, 2020, \$131,925 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, 2020:

	<u>Cost</u>	<u>Fair Value</u>
Certificates of deposit	\$ 318,873	\$ 318,873

Interest income earned on investments for the year ended June 30, 2020, was \$3,877.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE C – PROPERTY AND EQUIPMENT

At June 30, 2020, property and equipment consists of the following:

Building	\$ 1,111,003
Mobile unit	224,262
Office equipment	127,436
Leasehold improvements	115,599
Equipment	61,235
Furniture and fixtures	<u>14,786</u>
	1,654,321
Less: accumulated depreciation	<u>(690,837)</u>
Net property and equipment	<u>\$ 963,484</u>

Depreciation expense for the year ended June 30, 2020, was \$68,427.

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 2020. Total awards under the fee-for-services contract were \$807,344, for fiscal 2021.

For fiscal 2020, 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, 2020.

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, 2020, matching contributions to the Plan totaled (\$5,171).

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 was President of the Organization until March 2016 when the interests in the Lab were sold to the Executive Director of the Organization. During fiscal 2020, the Organization purchased \$219,403 of finished eyeglasses from the Lab. As of June 30, 2020, there are no outstanding receivables or payables with the Lab.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE G – NOTES PAYABLE – REAL PROPERTY

The Organization has two mortgage notes payable to First Green Bank which was required by Seacoast Bank in October 2018, 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 Seacoast Bank. Both mortgage notes payable mature on July 13, 2022. 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, 2020, and thereafter, are as follows:

2021	\$ 39,761
2022	<u>470,699</u>
	<u>\$ 510,460</u>

NOTE H – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from restrictions during the year ended June 30, 2020, were as follows:

Satisfaction of use and time restrictions:

Amaturo Family Foundation	\$ 2,500
Suncoast for Kids Foundation	<u>25,000</u>
	<u>\$ 27,500</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, 2023. Future lease payments are the following for the fiscal years ending June 30:

2021	\$ 5,307
2022	5,307
2023	<u>981</u>
	<u>\$ 11,595</u>

Rental expense for the year ended June 30, 2020 was \$6,236.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE J – FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, insurance, and other, which are allocated on the basis of estimates of time and effort.

NOTE K – PAYCHECK PROTECTION PROGRAM LOAN

On March 27, 2020, the Coronavirus Aid Relief, and Economic Security Act (“CARES Act”) was enacted in response to the COVID-19 pandemic. Under the CARES Act, the Paycheck Protection Program (“PPP loan”) was established to provide assistance to small businesses with resources needed to maintain payroll and cover applicable overhead. On April 28, 2020, the Organization, through a financial institution, was approved for and received a loan in the amount of \$138,300. The proceeds of the loan were used primarily for payroll. The unforgiven portion of the loan is payable over two years at an interest rate of 1%, with a deferral of payments until ten months after the end of the covered period. Future principal maturities for the years succeeding June 30, 2020 are estimated to be \$56,422 and \$81,878 for 2021 and 2022 respectively.

Management will seek forgiveness of the loan, and believes the entire loan will be forgiven in 2021 based on current interpretations of the CARES ACT. As of the date of the financial statements, the forgiveness process is not complete.

NOTE L – RISKS AND UNCERTAINTIES

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

Florida's Vision Quest, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

NOTE M – LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 324,193
Investments	318,873
Grants receivable	<u>163,234</u>
Total financial assets available within one year	<u>806,300</u>
Accrued wages and related benefits	(59,104)
Accounts payable and accrued expenses	(145,672)
Investments restricted for collateral	(131,925)
Current portion of long term debt	<u>(39,761)</u>
Total amounts unavailable to within one year	<u>(376,462)</u>
Total financial assets available within one year	<u>\$ 429,838</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

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

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Florida Institute of
Certified Public
Accountants

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, 2020, 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 March 15, 2021.

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) as a basis for designing 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
March 15, 2021



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, 2020. 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, 2020.

Partners

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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 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
March 15, 2021

Florida's Vision Quest, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2020

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 \$300,000

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, 2020

State Agency/ Project Title	CSFA No.	Contract Grant Number	Contract Time Period	Program Award	Current Year Expenditures
Department of Health Public School Vision Program	64.047	COHN2	07/01/19–06/30/20	\$ 807,344	\$ 807,344

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-5.003, Rules of the Florida Department of Financial Services, Florida Administrative Code, *State Financial Assistance*.

See independent auditors' report.