

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Financial Statements  
and  
Supplementary Financial Information**

**January 31, 2015 and 2014  
(With Independent Auditor's Report Thereon)**

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

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## **Independent Auditor's Report**

The Board of Directors  
The ALS Association Florida Chapter, Inc.:

We have audited the accompanying financial statements of The ALS Association Florida Chapter, Inc. (a nonprofit organization), which comprise the statements of financial position as of January 31, 2015 and 2014, and cash flows for the years then ended; the related statements of activities and functional expenses for the year ended January 31, 2015 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.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The ALS Association Florida Chapter, Inc. as of January 31, 2015 and 2014, and the changes in its net assets, and its cash flows for the years then ended, and its functional expenses for the year ended January 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

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

We have previously audited the fiscal 2014 financial statements of The ALS Association Florida Chapter, Inc. and expressed an unmodified audit opinion on those audited financial statements in our report dated August 14, 2014. In our opinion, the summarized comparative information presented herein for the year ended January 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Supplementary 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, is presented for purposes of additional analysis as required by Chapter 10.650, *Rules of the Auditor General*, 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 June 3, 2015, on our consideration of The ALS Association Florida Chapter, 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 The ALS Association Florida Chapter, Inc.'s internal control over financial reporting and compliance.

MAYER HOFFMAN McCANN P.C.

June 3, 2015  
Clearwater, Florida

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Statements of Financial Position**

**January 31, 2015 and 2014**

<b>Assets</b>	<b>2015</b>	<b>2014</b>
Current assets:		
Cash and cash equivalents	\$ 1,900,261	264,006
Accounts receivable:		
State of Florida grant	83,433	436,565
Contributions receivable, current portion	106,742	58,457
Prepaid expenses and other assets	2,822	3,499
	<hr/>	<hr/>
Total current assets	2,093,258	762,527
Contributions receivable, less current portion	50,714	26,205
Property and equipment, net of accumulated depreciation	712,733	706,027
	<hr/>	<hr/>
	\$ 2,856,705	1,494,759
	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 21,160	27,415
Due to ALS National	31,336	46,811
Accrued expenses:		
State of Florida grant	419,098	405,666
Personnel costs	42,882	33,235
Other	10,971	9,797
Deferred revenue	3,711	5,811
Current portion of long-term debt	30,375	29,014
	<hr/>	<hr/>
Total current liabilities	559,533	557,749
Long-term debt, excluding current portion	269,682	299,861
	<hr/>	<hr/>
Total liabilities	829,215	857,610
Net assets:		
Unrestricted	1,751,422	441,241
Temporarily restricted	276,068	195,908
	<hr/>	<hr/>
Total net assets	2,027,490	637,149
	<hr/>	<hr/>
	\$ 2,856,705	1,494,759
	<hr/> <hr/>	<hr/> <hr/>

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Statement of Activities**

**Year Ended January 31, 2015  
(With Comparative Totals for 2014)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	
			<u>2015</u>	<u>2014</u>
Support and revenue:				
Contributions:				
Walk event	\$ 1,377,600	-	1,377,600	1,159,508
Ride event	244,412	-	244,412	173,342
Bequests	106,123	-	106,123	255,814
Noncash	-	61,587	61,587	58,700
Other contributions	1,095,320	151,190	1,246,510	424,775
State of Florida Binter-Plante Initiative grant	1,026,874	-	1,026,874	436,564
ALS National revenue share grant	333,410	-	333,410	-
Rent	41,616	-	41,616	41,616
Other income	10,406	-	10,406	3,767
Net assets released from restrictions:				
Satisfaction of use restrictions	112,400	(112,400)	-	-
Expiration of time restrictions	20,217	(20,217)	-	-
Total support and revenue	<u>4,368,378</u>	<u>80,160</u>	<u>4,448,538</u>	<u>2,554,086</u>
Expenses:				
Program services	2,451,189	-	2,451,189	1,711,150
Supporting services:				
Management and general	168,788	-	168,788	102,615
Fundraising	438,220	-	438,220	464,758
Total expenses	<u>3,058,197</u>	<u>-</u>	<u>3,058,197</u>	<u>2,278,523</u>
Increase in net assets	1,310,181	80,160	1,390,341	275,563
Net assets at beginning of year	<u>441,241</u>	<u>195,908</u>	<u>637,149</u>	<u>361,586</u>
Net assets at end of year	<u>\$ 1,751,422</u>	<u>276,068</u>	<u>2,027,490</u>	<u>637,149</u>

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Statement of Activities**

**Year Ended January 31, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and revenue:			
Contributions:			
Walk event	\$ 1,159,508	-	1,159,508
Ride event	173,342	-	173,342
Bequests	239,097	16,717	255,814
Noncash	58,700	-	58,700
Other contributions	237,402	187,373	424,775
State of Florida Binter-Plante Initiative grant	436,564	-	436,564
Rent	41,616	-	41,616
Other income	3,767	-	3,767
Net assets released from restrictions:			
Satisfaction of use restrictions	51,321	(51,321)	-
Expiration of time restrictions	62,283	(62,283)	-
Total support and revenue	<u>2,463,600</u>	<u>90,486</u>	<u>2,554,086</u>
Expenses:			
Program services	1,711,150	-	1,711,150
Supporting services:			
Management and general	102,615	-	102,615
Fundraising	464,758	-	464,758
Total expenses	<u>2,278,523</u>	<u>-</u>	<u>2,278,523</u>
Increase in net assets	185,077	90,486	275,563
Net assets at beginning of year	<u>256,164</u>	<u>105,422</u>	<u>361,586</u>
Net assets at end of year	<u>\$ 441,241</u>	<u>195,908</u>	<u>637,149</u>

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Statement of Functional Expenses**

**Year Ended January 31, 2015  
(With Comparative Totals for 2014)**

	<u>Program Services</u>					<u>Supporting Services</u>			<u>Total Expenses</u>	
	<u>Advocacy</u>	<u>Awareness</u>	<u>Care Services</u>	<u>Research</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>2015</u>	<u>2014</u>
Personnel costs	\$ 2,586	184,437	440,167	-	627,190	30,962	244,040	275,002	902,192	945,415
Clinical services - state grant	-	-	923,086	-	923,086	-	-	-	923,086	409,750
Professional fees	-	3,510	21,407	-	24,917	59,547	14,039	73,586	98,503	107,666
Contractor fees	-	-	-	-	-	-	5,402	5,402	5,402	15,745
Center support	-	-	52,750	-	52,750	-	-	-	52,750	35,600
Assistance to clients	-	-	62,438	-	62,438	-	-	-	62,438	30,241
Bank and credit card charges	3,758	7,517	48,859	-	60,134	7,517	7,517	15,034	75,168	57,912
Conferences and training	-	-	18,828	-	18,828	-	18,828	18,828	37,656	11,656
Occupancy	1,180	2,360	15,340	-	18,880	2,360	2,360	4,720	23,600	23,312
Insurance	454	907	5,896	-	7,257	906	907	1,813	9,070	10,162
Office expense	592	1,184	7,694	-	9,470	1,183	1,184	2,367	11,837	6,641
Printing and reproduction	-	33,777	-	-	33,777	-	2,230	2,230	36,007	27,822
Postage and delivery	59	7,659	1,558	-	9,276	10,983	5,315	16,298	25,574	19,731
Supplies	-	49,281	1,453	-	50,734	-	31,669	31,669	82,403	41,757
Technology expense	2,000	4,001	26,006	-	32,007	4,001	4,001	8,002	40,009	39,173
Event rental expense	-	4,520	125	-	4,645	-	14,182	14,182	18,827	34,030
Research contribution to ALS National	-	-	-	142,829	142,829	-	-	-	142,829	12,695
Revenue share to ALS National	-	107,691	64,682	91,354	263,727	24,339	45,344	69,683	333,410	268,272
Telephone	1,008	2,015	13,100	-	16,123	3,123	2,138	5,261	21,384	13,469
Travel and transportation	2,932	10,086	25,069	-	38,087	5,923	30,140	36,063	74,150	63,471
Licenses and permits	187	373	2,425	-	2,985	745	1,230	1,975	4,960	5,731
Miscellaneous	360	720	4,681	-	5,761	720	720	1,440	7,201	4,197
<b>Total expenses before interest, depreciation and amortization</b>	<b>15,116</b>	<b>420,038</b>	<b>1,735,564</b>	<b>234,183</b>	<b>2,404,901</b>	<b>152,309</b>	<b>431,246</b>	<b>583,555</b>	<b>2,988,456</b>	<b>2,184,448</b>
Interest	740	1,480	9,617	-	11,837	1,479	1,480	2,959	14,796	15,909
Depreciation and amortization	824	1,374	32,255	-	34,453	14,997	5,495	20,492	54,945	78,166
<b>Total expenses</b>	<b>\$ 16,680</b>	<b>422,892</b>	<b>1,777,436</b>	<b>234,183</b>	<b>2,451,191</b>	<b>168,785</b>	<b>438,221</b>	<b>607,006</b>	<b>3,058,197</b>	<b>2,278,523</b>

See accompanying independent auditor's report and notes to financial statements.



**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Statements of Cash Flows**

**Years Ended January 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Increase in net assets	\$ 1,390,341	275,563
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	54,945	78,166
Noncash contributions	(61,587)	(58,700)
Decrease (increase) in accounts receivable	280,338	(505,399)
Increase (decrease) in prepaid expenses and other assets	613	(97)
Decrease in accounts payable	(6,255)	(9,223)
Decrease in due to ALS National	(15,475)	(5,234)
Increase (decrease) in deferred revenue	(2,100)	2,100
Increase in accrued expenses	24,253	407,727
Net cash provided by operating activities	1,665,073	184,903
Cash flows from financing activities:		
Principal payments on long-term debt	(28,818)	(27,705)
Net cash used in financing activities	(28,818)	(27,705)
Net increase in cash and cash equivalents	1,636,255	157,198
Cash and cash equivalents at beginning of year	264,006	106,808
Cash and cash equivalents at end of year	\$ <u>1,900,261</u>	<u>264,006</u>
Supplement disclosure of cash flow information:		
Cash paid during the year for interest	\$ <u>14,796</u>	<u>15,909</u>

# THE ALS ASSOCIATION FLORIDA CHAPTER, INC.

## Notes to Financial Statements

January 31, 2015 and 2014

### (1) Description of the Organization

The ALS Association Florida Chapter, Inc. (the Association), a 501(c)(3) corporation, is a non-profit organization incorporated in the State of Florida on August 31, 1987. The Association's mission is to empower people with amyotrophic lateral sclerosis (ALS), commonly called Lou Gehrig's disease, and their families to live fuller lives by providing them with compassionate care and support, and to lead the fight to cure and treat ALS through global cutting-edge research.

### (2) Summary of Significant Accounting Policies

#### (a) Financial Accounting Standards

The Financial Accounting Standards Board (FASB) issued authoritative guidance establishing two levels of U.S. generally accepted accounting principles (GAAP) – authoritative and nonauthoritative – and making the Accounting Standards Codification (ASC) the source of authoritative, nongovernmental GAAP, except for rules and interpretive releases of the Securities and Exchange Commission. The guidance is incorporated into ASC Topic 105 – *Generally Accepted Accounting Principles*.

#### (b) Financial Statement Presentation

The Association's financial statements report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted or permanently restricted. The three classes of net assets are described as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations;
- Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Association and/or the passage of time. 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; and
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Association. Generally, the donors of these assets permit the organization to use all or part of the income earned on any related investments for general or specific purposes.

#### (c) Contributions Receivable

Contributions are recognized when the donor makes a promise to give to the Association that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

THE ALS ASSOCIATION FLORIDA CHAPTER, INC.

Notes to Financial Statements - Continued

(2) **Summary of Significant Accounting Policies - Continued**

(d) **Contributed Services**

During the years ended January 31, 2015 and 2014, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Association, but these services do not meet the criteria for recognition as contributed services.

(e) **Accounts Receivable**

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts, if any. The Association provides for losses on accounts receivable using the allowance method. The allowance is based on historical experience and other circumstances, which may affect the ability of funders to meet their obligations. As of January 31, 2015, no allowance for doubtful accounts was deemed necessary. Substantially all of the outstanding balance of accounts receivable consisted of amounts due from the State of Florida.

(f) **Property and Equipment**

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets (listed below) using the straight-line basis.

Building and improvements	40 years
Equipment	3-7 years

Purchases of property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation.

(g) **Joint Costs of Activities that Include a Fund-Raising Appeal**

Joint costs of information materials and activities that include fund-raising appeals are allocated between fundraising and program services. During the fiscal years ended January 31, 2015 and 2014, the Association conducted activities that included requests for contributions, as well as program services and management and general functions. Those activities include direct mail campaigns and special events. For the years ended January 31, 2015 and 2014, \$10,651 and \$26,039, respectively, was allocated to Awareness for joint costs related to printing and reproduction, professional fees, postage and delivery, and supplies.

THE ALS ASSOCIATION FLORIDA CHAPTER, INC.

Notes to Financial Statements - Continued

(2) **Summary of Significant Accounting Policies - Continued**

(h) **Income Taxes**

The Association has been recognized by the Internal Revenue Service as a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. Income earned in furtherance of the Association's tax-exempt purpose is exempt from Federal and State income taxes. The Association is treated as a publicly supported organization, and not as a private foundation. The Association has adopted the provisions of ASC Topic 740 relating to *Accounting for Uncertainty in Income Taxes* and does not believe it has any material income tax exposure relating to uncertain tax positions. The Association's income tax filings for periods after the fiscal year ended January 31, 2011 remain subject to examination.

Beginning with the year ended January 31, 2009, the Association received rent from a tenant, which is considered unrelated taxable business income. For the years ended January 31, 2015 and 2014, this activity generated an income tax liability of \$1,175 and \$986, respectively.

(i) **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(j) **Functional Allocation of Expenses**

The costs of providing the Association's various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs, such as occupancy and insurance have been allocated among programs and supporting services benefitted.

(k) **Fair Value**

The carrying amounts reflected in the statements of financial position for cash and cash equivalents, receivables, and accounts payable approximate their fair value. The carrying amount of long-term debt approximates its fair value due to its market interest rate.

(l) **Summarized Financial Information for 2014**

The statement of functional expenses includes certain prior-year summarized comparative information in total but not by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended January 31, 2014, from which the summarized information was derived.

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Notes to Financial Statements - Continued**

**(3) Contributions Receivable**

Contributions receivable at January 31, 2015 and 2014 consist of the following:

	<b>2015</b>	<b>2014</b>
Sponsorships	\$ 45,126	47,490
Bequests and trust	34,567	16,717
Pledges	55,750	20,750
ALS National - Ice Bucket Challenge	27,299	-
Total contributions receivable	162,742	84,957
Less unamortized discount	(5,286)	(295)
Net contributions receivable	\$ 157,456	84,662
Amounts due in:		
Less than one year	\$ 106,742	58,457
One to five years	44,500	15,000
More than five years	11,500	11,500
	\$ 162,742	84,957

The fair value of contributions receivable at January 31, 2015 is estimated by discounting future cash flows using a discount rate of approximately 1%, the risk-free rate of return of U.S. Treasury Securities with similar maturities at the date of donation.

**(4) Property and Equipment**

Property and equipment at January 31, 2015 and 2014 consisted of the following:

	<b>2015</b>	<b>2014</b>
Land	\$ 225,000	225,000
Building	437,147	437,147
Building improvements	41,122	41,122
Medical equipment	410,089	348,502
Office furniture and equipment	80,916	80,916
	1,194,274	1,132,687
Less accumulated depreciation	481,541	426,660
	\$ 712,733	706,027

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Notes to Financial Statements - Continued**

**(5) Temporarily Restricted Net Assets**

Temporarily restricted net assets are available for periods after January 31, 2015 and 2014 as follows:

	<b>2015</b>	<b>2014</b>
Medical equipment	\$ 111,771	88,634
Contributions receivable	85,031	37,172
Assistive technology program	23,321	19,348
Care services	55,945	50,754
	\$ 276,068	195,908

**(6) Long-Term Debt**

As of January 31, 2015 and 2014, long-term debt consists of the following:

	<b>2015</b>	<b>2014</b>
Note payable to First Citrus Bank, payable in 60 monthly installments of \$3,450 including interest at 6.25%, followed by 143 monthly installments of \$3,635 including interest at 2.75% above the U.S. Treasury Securities rate adjusted every 5 years (4.625% at January 31, 2015), with a final payment of remaining principal and accrued interest on June 26, 2026, secured by land and building.	\$ 300,057	328,875
Less current portion	30,375	29,014
	\$ 269,682	299,861

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Notes to Financial Statements - Continued**

**(6) Long-Term Debt - Continued**

Future maturities of long-term debt at January 31, 2015 are as follows:

<u>Year Ending January 31,</u>	
2016	\$ 30,375
2017	31,810
2018	33,313
2019	34,887
2020	36,535
Thereafter	<u>133,137</u>
	<u>\$ 300,057</u>

**(7) Revenue Share to ALS National Office**

On a quarterly basis, the Association remits all restricted research funds and a portion of other collected revenues to the National Office of the Amyotrophic Lateral Sclerosis Association (National). The revenue shares to National for the fiscal years ended January 31, 2015 and 2014 were \$333,410 and \$268,272, respectively.

**(8) Noncash Donations**

Beginning in fiscal year 2007, the Association implemented a policy to record donated medical equipment at fair value at the date of the donation. The policy also implies a time restriction that expires over the useful life of the asset. During the fiscal years ended January 31, 2015 and 2014, medical equipment valued at \$16,787 and \$58,700, respectively, was donated to the Association. Donated medical equipment was not recorded in years prior to fiscal year 2007.

**(9) Equipment Lease**

In December 2014, the Association entered into equipment leases for certain copier, printer and telephone equipment, including related service costs. Rent expense for all operating leases was \$13,581 and \$6,424 for the years ended January 31, 2015 and 2014, respectively.

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Notes to Financial Statements - Continued**

**(9) Equipment Lease - Continued**

Future minimum lease payments under non-cancellable operating leases as of January 31, 2015 are as follows:

<u>Year Ending January 31,</u>	
2016	\$ 17,952
2017	17,952
2018	17,952
2019	17,952
2020	9,839
Thereafter	<u>337</u>
	<u>\$ 81,984</u>

**(10) Rental Property**

In May 2007, the Association, as the lessor, entered into a commercial lease agreement to lease 2,448 square feet of their building. On April 1, 2010, the lease was renewed for 2 years, and in August 2012 the lease was renewed until March 2015. Under the terms of the lease the Association will receive \$3,468 per month, plus applicable Florida sales tax. The future minimum lease payments receivable are \$6,936 for the year ending January 31, 2016.

**(11) Employee Benefit Plan**

The Association has a defined contribution salary deferral plan covering substantially all employees. The plan does not provide for employer matching contributions.

**(12) Subsequent Events**

Management has evaluated subsequent events through June 3, 2015, the date the financial statements were available for issuance.



**SUPPLEMENTARY FINANCIAL INFORMATION**

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Schedule of Expenditures of State Financial Assistance**

**Year Ended January 31, 2015**

<u>Grantor/Program Title</u>	<u>Contract/ Grant Number</u>	<u>State CSFA Number</u>	<u>Current Year Expenditures</u>
<i>Department of Health</i>			
ALS Association Florida Chapter		64.127	
	COP4U		\$ 543,540
	COP5C		483,334
			<u>1,026,874</u>
Subtotal - Department of Health			<u>1,026,874</u>
Total expenditures of state financial assistance			<u>\$ 1,026,874</u>

**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Notes to Schedule of Expenditures of State Financial Assistance**

**Year Ended January 31, 2015**

**(1) Basis of Presentation**

The accompanying Schedule of Expenditures of State Financial Assistance (the Schedule) includes the activity of all state projects of The ALS Association Florida Chapter, Inc. for the year ended January 31, 2015. All state projects passed through other government agencies are included in the accompanying schedule.

**(2) Summary of Significant Accounting Policies**

The accompanying schedule of expenditures of state financial assistance is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*.

**(3) Subrecipients**

The Association did not provide state financial assistance to any subrecipients during the year ended January 31, 2015.

**INTERNAL CONTROL AND COMPLIANCE**



**Independent Auditor’s 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**

The Board of Directors  
The ALS Association Florida Chapter, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The ALS Association Florida Chapter, Inc. (the Association), a nonprofit organization, which comprise the statement of financial position as of January 31, 2015, 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 June 3, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Association’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Association’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 the Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association'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 Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MAYER HOFFMAN MCCANN P.C.

June 3, 2015  
Clearwater, Florida



**Independent Auditor’s Report on Compliance for Each Major State Project  
and on Internal Control Over Compliance Required by Chapter 10.650,  
*Rules of the Auditor General***

The Board of Directors  
The ALS Association Florida Chapter, Inc.:

**Report on Compliance for Each Major State Project**

We have audited The ALS Association Florida Chapter, 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 The ALS Association Florida Chapter, Inc.’s major state project for the year ended January 31, 2015. The ALS Association Florida Chapter, Inc.’s major state project is identified in the summary of auditor’s 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 state projects.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for The ALS Association Florida Chapter, Inc.’s major state project 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 and Chapter 10.650, *Rules of the Auditor General* 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 project occurred. An audit includes examining, on a test basis, evidence about The ALS Association Florida Chapter, Inc.’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of The ALS Association Florida Chapter, Inc.’s compliance.

## Opinion on Each Major State Project

In our opinion, The ALS Association Florida Chapter, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state project for the year ended January 31, 2015.

## Report on Internal Control over Compliance

Management of The ALS Association Florida Chapter, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The ALS Association Florida Chapter, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our 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 Association'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 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.

MAYER HOFFMAN MCCANN P.C.

June 3, 2015  
Clearwater, Florida



**THE ALS ASSOCIATION FLORIDA CHAPTER, INC.**

**Schedule of Findings and Questioned Costs**

**Year Ended January 31, 2015**

**(A) Summary of Audit Results**

1. The auditor's report expresses an unmodified opinion on The ALS Association Florida Chapter, Inc.'s basic financial statements.
2. No significant deficiencies were reported in our Independent Auditor's 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*.
3. No instances of noncompliance material to the financial statements of The ALS Association Florida Chapter, Inc. were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major state project are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Chapter 10.650, *Rules of the Auditor General*.
5. The auditor's report on compliance for the major state project for The ALS Association Florida Chapter, Inc. expresses an unmodified opinion.
6. Audit findings that are required to be reported in accordance with Chapter 10.650, *Rules of the Auditor General* are reported in this schedule.
7. The program tested as a major state project was:

ALS Association Florida Chapter (CSFA 64.127)
8. The threshold for distinguishing Types A and B programs was \$300,000 for major state projects.

**(B) Findings - Audit of Financial Statements**

None.

**(C) Findings and Questioned Costs - Major State Project**

None.

**(D) Other Issues**

No management letter is required because there were no findings related to major state projects. A Corrective Action Plan is not required because there were no findings required to be reported under the Florida Single Audit Act.