AMIkids Miami-Dade, Inc.

FINANCIAL STATEMENTS

June 30, 2017 (With comparative financial information for 2016)



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INDEPENDENT AUDITORS' REPORT

The Board of Trustees AMIkids Miami-Dade, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of AMIkids Miami-Dade, Inc. (the "Institute"), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AMIkids Miami-Dade, Inc. as of June 30, 2017, and the changes in its net assets and its functional expenses and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2017 on our consideration of AMIkids Miami-Dade, 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 AMIkids Miami-Dade, Inc.'s internal control over financial reporting and compliance.

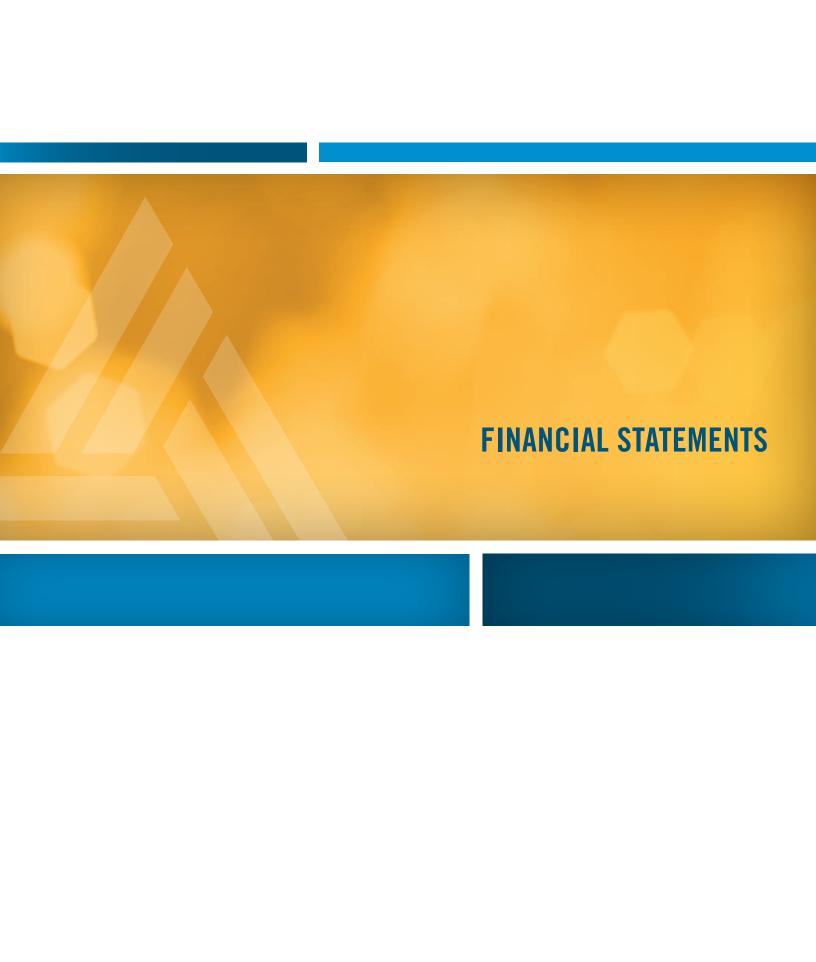
Report on Summarized Comparative Information

Can, Rigge & Ingram, L.L.C.

We have previously audited the AMIkids Miami-Dade, Inc.'s 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 20, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

CARR, RIGGS & INGRAM

Clearwater, Florida October 4, 2017



AMIkids Miami-Dade, Inc. Statement of Financial Position June 30, 2017 With comparative financial information for 2016

| | 2017 | | 2016 |
|--|------|---------|---------------|
| Assets | | | |
| Cash and cash equivalents | \$ | 459,462 | \$ 284,629 |
| Accounts receivable | | | |
| Funding agencies | | 79,541 | 75,271 |
| Other | | 19,747 | 24,652 |
| Due from AMIkids and affiliated institutes | | 185,410 | 200,372 |
| Prepaid expenses and other | | 73,771 | 68,329 |
| Property and equipment, net | | 131,917 | 212,280 |
| Total assets | \$ | 949,848 | \$ 865,533 |
| Liabilities and Net Assets Liabilities: | | | |
| Accounts payable | \$ | 63,537 | \$ 53,731 |
| Accrued expenses | | 89,125 | 79,637 |
| Due to AMIkids and affiliated institutes | | 54,372 | 41,474 |
| Deferred revenues | | - | 5,000 |
| Notes payable | | 946 | 4,057 |
| Total liabilities | | 207,980 | 183,899 |
| Net Assets: | | | |
| Unrestricted | | 585,425 | 555,956 |
| Temporarily restricted | | 156,443 | 125,678 |
| Total net assets | | 741,868 | 681,634 |
| Total liabilities and net assets | \$ | 949,848 | \$ 865,533 |

AMIkids Miami-Dade, Inc. Statement of Activities June 30, 2017 With comparative financial information for 2016

| | | | Temporarily | | | То | tals | |
|---------------------------------------|----|-------------|-------------|------------|----|-----------|------|-----------|
| | Uı | nrestricted | F | Restricted | - | 2017 | | 2016 |
| Public support and revenue: | | | | | | | | |
| Public support: | | | | | | | | |
| State grants | \$ | 1,478,689 | \$ | - | \$ | 1,478,689 | \$ | 1,450,981 |
| Federal support | | 474,526 | | - | | 474,526 | | 400,575 |
| Regional revenue | | 662,269 | | - | | 662,269 | | 754,074 |
| Contributions | | 120,759 | | 99,006 | | 219,765 | | 265,966 |
| Total public support | | 2,736,243 | | 99,006 | | 2,835,249 | | 2,871,596 |
| Revenue | | | | | | | | |
| Interest income | | 2 | | 76 | | 78 | | 33 |
| Other | | 35,437 | | - | | 35,437 | | 19,516 |
| Total revenue | | 35,439 | | 76 | | 35,515 | | 19,549 |
| Net assets released from restrictions | | 68,317 | | (68,317) | | - | | - |
| Total public support and revenue | | 2,839,999 | | 30,765 | | 2,870,764 | | 2,891,145 |
| Expenses: | | | | | | | | |
| Program services | | 2,762,153 | | - | | 2,762,153 | | 2,724,693 |
| Management and general | | 48,377 | | - | | 48,377 | | 58,815 |
| Total expenses | | 2,810,530 | | - | | 2,810,530 | | 2,783,508 |
| Change in net assets | | 29,469 | | 30,765 | | 60,234 | | 107,637 |
| Net assets, beginning of year | | 555,956 | | 125,678 | | 681,634 | | 573,997 |
| Net assets, end of year | \$ | 585,425 | \$ | 156,443 | \$ | 741,868 | \$ | 681,634 |

AMIkids Miami-Dade, Inc. Statement of Functional Expenses June 30, 2017 With comparative financial information for 2016

| | | | N | lanagement (| | | |
|-------------------------------------|-------------|-----------|---------|--------------|-----------------|------|-----------|
| | Program and | | Program | | Tot | tals | |
| | | Services | | General | 2017 | | 2016 |
| Salaries | \$ | 1,570,729 | \$ | - | \$ 1,570,729 | \$ | 1,521,166 |
| Employee benefits and payroll taxes | | 373,555 | | - | 373,555 | | 326,451 |
| Travel | | 30,516 | | - | 30,516 | | 33,176 |
| Conferences and training | | 45,361 | | - | 45,361 | | 46,113 |
| Office and other supplies | | 276 | | 7,488 | 7,764 | | 10,836 |
| Rent and utilities | | 74,578 | | 298 | 74,876 | | 70,752 |
| Insurance | | 104,283 | | - | 104,283 | | 105,289 |
| Telephone | | 36,908 | | - | 36,908 | | 33,664 |
| Professional fees | | 15,816 | | 7,363 | 23,179 | | 25,779 |
| Postage | | - | | 1,821 | 1,821 | | 5,368 |
| Student supplies and training | | 257,701 | | - | 257,701 | | 278,690 |
| Community development | | 8,696 | | 1,563 | 10,259 | | 15,991 |
| Equipment and maintenance | | 74,069 | | 11,386 | 85,455 | | 119,564 |
| Interest | | 181 | | - | 181 | | 362 |
| Depreciation | | 89,233 | | - | 89,233 | | 92,317 |
| Management fee and other expenses | | 80,251 | | 18,458 | 98,709 | | 97,990 |
| Total expense | \$ | 2,762,153 | \$ | 48,377 | \$ 2,810,530 | \$ | 2,783,508 |

AMIkids Miami-Dade, Inc. Statement of Cash Flows June 30, 2017 With comparative information for 2016

| | | | 2016 | |
|--|----|---------|---------------|--|
| Cash flows from operating activities: | | | | |
| Change in net assets | \$ | 60,234 | \$ 107,637 | |
| Adjustments to reconcile change in net assets to net | | | | |
| cash provided by operating activities: | | | | |
| Depreciation | | 89,233 | 92,317 | |
| (Gain) loss on disposal of property and equipment | | (1,167) | 634 | |
| (Increase) decrease in: | | | | |
| Accounts receivable | | 635 | 18,242 | |
| Prepaid expenses and other | | (5,442) | (5,783) | |
| Due from AMIkids and affiliated institutes | | 14,962 | (27,581) | |
| Increase (decrease) in: | | | | |
| Accounts payable | | 9,806 | (6,276) | |
| Accrued expenses | | 9,488 | 5,006 | |
| Deferred revenues | | (5,000) | (12,388) | |
| Due to AMIkids and affiliated institutes | | 12,898 | (20,778) | |
| Net cash and cash equivalents provided by operating activities | | 185,647 | 151,030 | |
| Cash flows from investing activities: | | | | |
| Proceeds from sale of property and equipment | | 1,300 | - | |
| Purchases of property and equipment | | (9,003) | (65,313) | |
| Net cash and cash equicalents used in investing activities | | (7,703) | (65,313) | |
| Cash flows from financing activities: | | | | |
| Payments on third party notes payable | | (3,111) | (2,929) | |
| Net cash and cash equivalents used in financing activities | | (3,111) | (2,929) | |
| Net increase in cash and cash equivalents | | 174,833 | 82,788 | |
| Cash and cash equivalents at beginning of year | | 284,629 | 201,841 | |
| Cash and cash equivalents at end of year | \$ | 459,462 | \$ 284,629 | |
| Cash paid for interest | \$ | 181 | \$ 362 | |

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Organization

AMIkids Miami-Dade, Inc. (the "Institute"), a non-profit corporation, is engaged in the rehabilitation of delinquent youth by providing education, treatment and behavior modification as components of the AMIkids Personal Growth Model. These services are performed by the Institute, which is one of over forty affiliated, but independently governed member programs and schools located in Florida, Georgia, Louisiana, Missouri, New Mexico, North Carolina, South Carolina, Texas and Virginia. The Institute's educational component is accredited by AdvancED®, a global accrediting agency dedicated to advancing excellence in schools, universities, and educational agencies. AMIkids, Inc. ("AMIkids") is the sole member of the Institute. AMIkids is located in Florida and executes the contracts, collects funds, coordinates the operations and manages the record keeping of these member Programs and schools through a subcontract agreement between AMIkids and the Institute. The Institute's operating funds are primarily generated from state contracts, local funds and contributions. Continued operation of the Institute's rehabilitation program is dependent on continued funding from AMIkids's federal and state contracts and local agencies as well as financial and other support from AMIkids.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure 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 may differ from such estimates and such differences could be material.

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting. Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

Unrestricted net assets consist of amounts that are available for use in carrying out the activities of the Institute. Temporarily restricted net assets represent those amounts, which are not available until future periods or are donor restricted for specific purposes.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents represent cash and short-term, highly liquid investments with original maturities of three months or less.

Cash is maintained in bank deposit accounts, which at times may exceed federally insured limits. The Institute believes it is not exposed to any significant credit risk in these accounts.

Accounts Receivable

Accounts receivable consists primarily of receivables from federal and state agencies and county school boards. The Institute reviews outstanding receivables for collectability based on historical payment history from the payer and any known circumstances casting doubt over the collectability of accounts and reserves for amounts considered to be uncollectible. The Institute considers its accounts receivable to be fully collectible and therefore, has not recorded an allowance for doubtful accounts. Amounts becoming uncollectible will be charged against the allowance for doubtful accounts when that determination is made.

Property and Equipment

Property and equipment are stated at cost, if purchased or at estimated fair value at date of receipt if donated. Property and equipment transferred to the Institute by a funding agency are stated at estimated fair value at date of transfer. Property transferred or acquired with grant funds may revert to the funding agency should the Institute no longer provide the rehabilitation services required by the contract. At the time property is retired, or otherwise disposed of, the asset and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in earnings. Repairs and maintenance are expensed when incurred. Depreciation is calculated using the straight-line method over the following estimated useful lives of the assets:

| Permanent site improvements | 5 years |
|-----------------------------------|------------|
| Buildings and improvements | 5-20 years |
| Furniture, fixtures and equipment | 3-5 years |
| Motor vehicles | 3 years |
| Boats, motors and trailers | 3 years |

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-Lived Assets

The Institute reviews all long-lived assets, which consist primarily of property and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the discounted cash flows.

Use of Facilities

Facilities provided by a funding agency to the Institute are for use during the term of its contract and are recorded as an in-kind contribution and rental expense in the financial statements in the period in which the facilities are utilized by the Institute. The amounts recorded in each period of use by the Institute represent the difference between the fair rental value of the facilities and the stated amount of the rent payments. The stated amount of the rent payments is generally zero. In-kind rental contributions and the related rental was \$34,200 for both years ended June 30, 2017 and 2016 and are reflected as contribution revenue and rent and utilities expense, respectively, in the accompanying financial statements.

Public Support and Revenue

Public support is primarily from AMIkids's contracts with various state agencies. Contracts with state agencies generally provide funding based on client service days. Other public support represents amounts received from federal and local sources, including county school boards and contributions.

A significant portion of AMIkids's and the Institute's grants and contracts are exchange transactions in which each party receives and sacrifices commensurate value. Funds from these exchange transactions are not considered contributions and, as such, are deemed to be earned and reported as revenue when such funds have been expended towards the designated purpose. Funds from exchange transactions received in advance of revenue recognition are recorded as deferred revenue.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support and Revenue (Continued)

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets. The Institute reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Donated Services

Amounts are reported in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by the individuals possessing those skills and would be typically purchased if not provided by donation. For the years ended June 30, 2017 and 2016, donated services were not material to the financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the program and supporting services benefited. Other expenses are allocated based on management's estimate of the benefit derived by each activity.

Income Taxes

AMIkids Miami-Dade, Inc. is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code.

The Institute identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the statement of financial position. The Institute has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Institute would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Institute's tax years subject to examination by the Internal Revenue Service generally remain open for three years from the date of filing.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summarized Financial Information for 2016

The financial information for the year ended June 30, 2016 is presented for comparative purposes and is not intended to be a complete presentation.

NOTE 2: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2017 and 2016 consists of:

| | 2017 | | 2016 |
|--------------------------------------|---------------|----|-------------|
| Land and permanent site improvements | \$ 15,879 | \$ | 15,879 |
| Buildings and improvements | 2,010,266 | | 2,006,031 |
| Furniture, fixtures and equipment | 238,045 | | 235,177 |
| Motor vehicles | 86,898 | | 88,172 |
| Boats, motors and trailers | 103,980 | | 102,880 |
| | 2,455,068 | | 2,448,139 |
| Less accumulated depreciation | (2,323,151) | | (2,235,859) |
| Property and equipment, net | \$ 131,917 | \$ | 212,280 |

NOTE 3: NOTES PAYABLE

Notes payable at June 30, 2017 and 2016 consists of:

| | 20 | 17 | 2016 |
|---|----|--------|-------|
| Note payable in monthly installments of \$137, Including interest at 4.8%, due October 2017; | | | |
| capitalized lease obligation related to equipment | \$ | 540 \$ | 2,029 |
| Note payable in monthly installments of \$137, | | | |
| including interest at 4.8%, due October 2017 | | | |
| capitalized lease obligation related to equipment | | 406 | 2,028 |
| | \$ | 946 \$ | 4,057 |

NOTE 3: NOTES PAYABLE (Continued)

Annual maturities of notes payable are as follows:

| Year ended June 30, | |
|---------------------|-----------|
| 2018 | \$ 946 |
| | \$ 946 |

NOTE 4: RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30 are available for the following purposes:

| | 2017 | 2016 |
|-------------------------|---------------|---------------|
| Education/scholarship | \$ 16,270 | \$ 18,954 |
| Building/equipment | 45,119 | 4,870 |
| Experiential activities | 980 | 22,795 |
| Special projects | 94,074 | 79,059 |
| | \$ 156,443 | \$ 125,678 |

Net assets were released from donor restrictions during 2017 and 2016 by occurrence of events specified by donors as follows:

| | 2017 | 2016 |
|-----------------------------------|--------------|---------------|
| Education/scholarship | \$ 17,759 | \$ 23,082 |
| Building/equipment/motor vehicles | 6,000 | 50,743 |
| Experiential activities | 41,572 | 26,407 |
| Special projects | 2,986 | 5,803 |
| | \$ 68,317 | \$ 106,035 |

NOTE 5: RELATED PARTY TRANSACTIONS

As stated in Note 1, AMIkids executes the contracts, collects funds, coordinates the operations and manages the record keeping of the Institute and remits these funds to the institute on a monthly basis in accordance with the subcontract agreement. For providing these and other services, AMIkids was paid \$98,497 and \$96,993 in fiscal 2017 and 2016, respectively, which was recorded as management fee and other expense included in program services and management and general in the accompanying statement of functional expenses. In addition, AMIkids retained \$160,576 and \$161,220 from state contracts in fiscal 2017 and 2016, respectively, which are not included in the accompanying financial statements. Amounts to be retained are determined by AMIkids management.

Due from AMIkids and affiliated Institutes at June 30, 2017 and 2016 consists of:

| | 2017 | | | 2016 | |
|-----------------------------|------|---------|----|---------|--|
| Affiliate trade receivables | \$ | 185,410 | \$ | 200,372 | |

The Institute periodically enters into transactions with AMIkids and affiliated Institutes for intercompany billings of common costs and services received or rendered. The Institute may also enter into other financing transactions with AMIkids. Except as noted below, these amounts are non-interest bearing and have no maturity date or collateral.

Due to AMIkids and affiliated Institutes at June 30, 2017 and 2016 consists of:

| | 2017 | | 2016 | |
|--------------------------|------|--------|--------------|--|
| | | | | |
| Affiliate trade payables | \$ | 54,372 | \$ 41,474 | |

NOTE 6: PENSION PLAN

AMIkids maintains a noncontributory defined contribution money purchase pension plan covering all full-time employees who have completed two years of service and have attained the age of 20 ½ years. Contributions to the Plan are based on a percentage of each employee's compensation for the year. The pension expense for the years ended June 30, 2017 and 2016 totaled \$68,888 and \$64,817 respectively.

NOTE 7: CONTINGENCIES

A substantial portion of AMIkids and the Institute's public support is derived from programs supported by various funding agencies. Under the terms of the agreements with these funding agencies, AMIkids and the Institute's financial records are subject to audit by the appropriate governmental authorities. Depending upon the results of these audits, if any, funds may be required to be refunded to the appropriate funding agency. In the opinion of AMIkids and the Institute's management, no public support funds will be required to be refunded. Accordingly, no provision for such contingency has been made in these financial statements.

The Institute is subject to various claims and legal proceedings, which arise in the ordinary course of business. The Institute does not believe that these matters will have a material adverse effect on its financial position or operating activities.

NOTE 8: SUBSEQUENT EVENTS

The Institute has evaluated events and transactions occurring subsequent to June 30, 2017 as of October 4, 2017 which is the date the financial statements were issued. Subsequent events occurring after October 4, 2017 have not been evaluated by management. No material events have occurred since June 30, 2017 that requires recognition or disclosure in the financial statements.



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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

The Board of Trustees AMIkids Miami-Dade, 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 AMIkids Miami-Dade, Inc. (the "Institute"), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 4, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Institute'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 Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of the Institute'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 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 Institute's financial statements are free of 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CARR, RIGGS & INGRAM, LLC

Caux Rigge & Ingram, L.L.C.

Clearwater, Florida October 4, 2017