

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION

FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2014
TOGETHER WITH REPORT OF INDEPENDENT ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Florida Public Health Institute, Inc.
d/b/a/ Florida Institute for Health Innovation
West Palm Beach, Florida

Report on the Financial Statements

I have audited the financial statements of Florida Public Health Institute, Inc., d/b/a Florida Institute for Health Innovation, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, cash flows and functional expenses 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 of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Health Institute, Inc., d/b/a Florida Institute for Health Innovation, as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated October 24, 2014, on my consideration of the Organization's internal control over financial reporting and on my 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 my 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 Public Health Institute, Inc.'s internal control over financial reporting and compliance.



Steven J. Corso, CPA
West Palm Beach, FL
October 24, 2014

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL FUNDS</u>
<u>ASSETS</u>			
Cash	\$ 144,339	\$ 78,909	\$ 223,248
Receivable	3,535	0	3,535
Allowance For bad Debt	(2,035)	0	(2,035)
Prepaid Expenses	1,919	0	1,919
Deposits	400	0	400
Furniture, Equip & Leasehold Improv.	5,251	0	5,251
Less Accumulated Depreciation	(4,383)	0	(4,383)
Total Assets	<u>\$ 149,026</u>	<u>\$ 78,909</u>	<u>\$ 227,935</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 3,365	\$ 0	\$ 3,365
Payroll Liabilities	5,170	0	5,170
Total Liabilities	<u>8,535</u>	<u>0</u>	<u>8,535</u>
<u>NET ASSETS</u>	<u>140,491</u>	<u>78,909</u>	<u>219,400</u>
 TOTAL LIABILITIES & NET ASSETS	 <u>\$ 149,026</u>	 <u>\$ 78,909</u>	 <u>\$ 227,935</u>

Read Accompanying Notes

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL FUNDS</u>
REVENUE			
Grants & Foundations	\$ 428,393	\$ 77,659	\$ 506,052
Program Services	23,750	1,250	25,000
Contributions	2,609	0	2,609
Investment Income	1,178	0	1,178
Net Assets Released From Restriction	103,194	(103,194)	0
Total Revenue	<u>559,124</u>	<u>(24,285)</u>	<u>534,839</u>
EXPENSES			
Program Services	570,893	0	570,893
General & Administrative	27,949	0	27,949
Fund Raising & Promotion	10,855	0	10,855
Total Expenses	<u>609,697</u>	<u>0</u>	<u>609,697</u>
CHANGES IN NET ASSETS	(50,573)	(24,285)	(74,858)
NET ASSETS AT BEGINNING OF YEAR	<u>191,064</u>	<u>103,194</u>	<u>294,258</u>
NET ASSETS AT END OF YEAR	<u>\$ 140,491</u>	<u>\$ 78,909</u>	<u>\$ 219,400</u>

Read Accompanying Notes

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

	FUNDS		
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
Cash Flows From Operating			
Activities:			
Grants & Contributions Received	\$ 438,641	\$ 77,659	\$ 516,300
Program Revenue Received	23,750	1,250	25,000
Interest Received	1,178	0	1,178
Operating Expenses Paid	(606,216)	0	(606,216)
Net Assets Released From Restriction	<u>103,194</u>	<u>(103,194)</u>	<u>0</u>
Net Cash Provided from Operating			
Activities:	<u>(39,453)</u>	<u>(24,285)</u>	<u>(63,738)</u>
Cash Flows From Investing			
Activities:	<u>0</u>	<u>0</u>	<u>0</u>
Cash Flows From Financing			
Activities:	<u>0</u>	<u>0</u>	<u>0</u>
Net Increase In Cash	<u>(39,453)</u>	<u>(24,285)</u>	<u>(63,738)</u>
Cash At Beginning of Year	<u>183,792</u>	<u>103,194</u>	<u>286,986</u>
Cash At End of Year	<u>\$ 144,339</u>	<u>\$ 78,909</u>	<u>\$ 223,248</u>

Read Accompanying Notes

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014

<u>EXPENSES</u>	<u>Program Services</u>	<u>General & Admin</u>	<u>Fund Raising</u>	<u>Total</u>
Bad Debt	\$ 2,035	\$ 0	\$ 0	\$ 2,035
Contract Servies	285,060	0	0	285,060
Depreciation	701	855	0	1,556
Donations	4,224	0	0	4,224
Fees & Dues	1,990	0	0	1,990
Legal & Professional Fees	1,500	16,586	0	18,086
Marketing	13,927	0	0	13,927
Occupancy	3,049	1,896	0	4,945
Office Supplies & Expenses	4,192	7,362	0	11,554
Payroll & Payroll Expenses	222,364	0	10,000	232,364
Telephone	5,015	1,250	855	7,120
Travel & Meetings	26,836	0	0	26,836
Total	<u>\$ 570,893</u>	<u>\$ 27,949</u>	<u>\$ 10,855</u>	<u>\$ 609,697</u>

Read Accompanying Notes

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

1. Description of the Organization:

Florida Public Health Institute, Inc. d/b/a Florida Institute for Health Innovation, is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code.

The Organization's mission is to form, in Palm Beach County and the state of Florida, a non-profit independent partnership with the academic, public health and local communities to solve health related problems through collaboration and an increased use of academic resources. The Organization will also promote improvements in health through health advocacy, education of the community and health workforce and through basic and applied research.

2. Summary of Significant Accounting Policies:

The significant accounting policies that follow are presented to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows and a statement of functional expense.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted contributions whose restrictions are met during the fiscal year are shown as unrestricted.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give noncash assets that are expected to be received in future years are recorded at the present value of the expected fair value of the underlying noncash assets expected to be received. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Any changes in the expected fair value of underlying noncash assets are reported as increases and decreases in contribution revenue in the period the change occurs. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of petty cash, checking accounts, and money market accounts with original maturities of 90 days or less.

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
NOTES TO FINANCIAL STATEMENTS, Continued
JUNE 30, 2014

2. Summary of Significant Accounting Policies, Continued:

Restricted and Unrestricted Revenue and Support

The Organization reports gifts of cash and other assets as an increase in unrestricted, temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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. Federal and State grant awards are classified as refundable advances until expended for the purposes of the grant since they are conditional promises to give. Unrestricted support increases unrestricted net assets.

Revenue Recognition

The Organization recognizes revenue from grants and contracts when earned and other revenues and contributions when received. Pledges or promises to give that are, in substance, unconditional are considered a basis for recording future revenue.

Grants, Contributions, and Contracts Receivable

Grants, contributions, and contracts receivable are due within one year. Management believes that some receivables are not collectible; therefore the Organization has included a provision for uncollectible accounts. Any accounts deemed uncollectible are charged to expense when the determination is made. There is an allowance for bad debt of \$2,035 for the year ended June 30, 2014.

Donated Materials and Services

The Organization receives donated services. No amounts have been reflected in the financial statements for such donated services since the services did not require specialized skills. Donated professional services, if any, would be reflected in the statement of activities at their fair value.

Materials and other assets received as donations are recorded and reflected in the financial statements at their fair values at the date of receipt.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been made in the accompanying financial statements.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

FLORIDA PUBLIC HEALTH INSTITUTE, INC.
d/b/a FLORIDA INSTITUTE FOR HEALTH INNOVATION
NOTES TO FINANCIAL STATEMENTS, Continued
JUNE 30, 2014

2. Summary of Significant Accounting Policies, Continued:

Concentration of Risk

The Organization is dependent on funding from various contributors. The amount of contributions is dependent on the funds available and the budgets of these contributors. Lack of funding could have a significant detrimental effect on the continued operations of the Organization.

3. Property & Equipment

Property and equipment that are purchased are stated at cost and donated property and equipment are recorded at the estimated fair market value when donated. Depreciation has been calculated on straight-line basis according to the life of the asset.

Repairs and maintenance are charged to expense as incurred.

4. Functional Allocation of Expenses:

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and unrestricted net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

5. Note Payable

The Organization has no notes payable as of June 30, 2014.

6. Leases Commitment

The Organization rents two office spaces for monthly payments of \$625. Minimum future rental expenses are as follows:

<u>Year Ending June 30</u>	<u>Amounts</u>
2014	\$7,050
2015	850

7. Concentration of Credit Risk

The Organization maintains its cash balances in one financial institution. As of June 30, 2014, the Organization had no balances that exceeded the federally insured limit.

8. Date of Management Review

Subsequent events have been evaluated through October 24, 2014, which is the date the financial statements were issued.

STEVEN J. CORSO

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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

Board of Directors
Florida Public Health Institute, Inc.
d/b/a Florida Institute for Health Innovation
West Palm Beach, Florida

I have audited, 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, the financial statements of Florida Public Health Institute, Inc., d/b/a Florida Institute for Health Innovation, (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated October 24, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Florida Public Health Institute, Inc.'s, d/b/a Florida Institute for Health Innovation, internal control over financial reporting (internal control) to determine my audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida Public Health Institute, Inc.'s internal control. Accordingly, I 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.

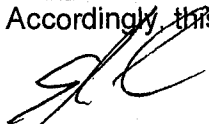
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I 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 Public Health Institute, Inc.'s, d/b/a Florida Institute for Health Innovation, financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization'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.



Steven J. Corso, CPA
West Palm Beach, FL
October 24, 2014

STEVEN J. CORSO
Certified Public Accountant

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Member of Florida Institute of Certified Public Accountants

October 24, 2014

Florida Public Health Institute, Inc.
d/b/a Florida Institute for Health Innovation
West Palm Beach, FL

I have audited the financial statements of Florida Public Health Institute, Inc., d/b/a Florida Institute for Health Innovation, (a non-profit organization) as of and for the year ended June 30, 2014, and have issued my report thereon dated October 24, 2014.

In planning and performing my audit of the financial statements of Florida Public Health Institute, Inc., d/b/a Florida Institute for Health Innovation, for the year ended June 30, 2014, I considered Florida Public Health Institute, Inc.'s internal control structure in order to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

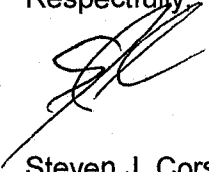
My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

At the conclusion of each audit engagement it is my practice to submit comments and suggestions on accounting procedures, internal control and other matters to management. The comments contained herein are based on observations made during my examination of the financial statements of Florida Public Health Institute, Inc., d/b/a Florida Institute for Health Innovation, as of June 30, 2014 and may reiterate comments and suggestions made orally. The suggestions for improvements and changes should not be construed as a reflection on the abilities or effectiveness of any Organization employee.

Underlying Accounting Records - The underlying accounting records were maintained in an extremely accurate and professional manner with information readily available to me.

Findings – There were no findings to report.

Respectfully,

A handwritten signature in black ink, appearing to read 'S. Corso', written over the word 'Respectfully'.

Steven J. Corso
Certified Public Accountant