

Financial Statements and  
Independent Auditor's Report

**Envision, Creative Support for People with  
Developmental Disabilities**

June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Envision, Creative Support for People with Developmental Disabilities

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Envision, Creative Support for People with Developmental Disabilities (the Center), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Envision, Creative Support for People with Developmental Disabilities as of June 30, 2023, 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.

*Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

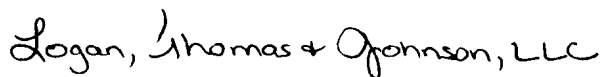
We have previously audited the Center's 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated December 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is 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 summary schedule of revenues, support and expenses by program and schedule of expenditures of federal awards, as required by Title 2, U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 GAAS. In our opinion, the schedule of expenditures of federal awards 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 July 2, 2024, on our consideration of the Center'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 solely 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 the effectiveness of the Center's 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 Center's internal control over financial reporting and compliance.



Castle Rock, Colorado  
July 2, 2024

## *Financial Statements*

Envision, Creative Support for People with Developmental Disabilities  
STATEMENT OF FINANCIAL POSITION

June 30, 2023

(With summarized financial information as of June 30, 2022)

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 513,613	\$ 389,233
Investments	1,438,154	1,577,315
Accounts receivable		
Fees and grants from governmental agencies	1,588,252	1,505,212
Other, net of allowance for uncollectible receivables of \$10,462	40,366	56,954
Prepaid expenses and other	74,569	90,428
Total current assets	3,654,954	3,619,142
Finance lease right of use assets	152,255	219,054
Land, buildings and equipment, net	521,584	593,298
Total assets	\$ 4,328,793	\$ 4,431,494
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 584,737	\$ 459,995
Accrued personnel expenses	316,595	279,066
Current portion of finance lease liabilities	82,503	78,163
Total current liabilities	983,835	817,224
Long-term debt, net of current portion		
Finance lease liabilities	71,958	154,461
Total liabilities	1,055,793	971,685
Net assets		
Without donor restrictions		
Net investment in land, building and equipment	519,378	579,728
Undesignated	2,753,622	2,880,081
Total net assets	3,273,000	3,459,809
Total liabilities and net assets	\$ 4,328,793	\$ 4,431,494

The accompanying notes are an integral part of this statement.

Envision, Creative Support for People with Developmental Disabilities  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2023  
(With summarized financial information for the year ended June 30, 2022)

	Total without donor restrictions	
	2023	2022
Revenues and support		
Fees and grants from governmental agencies		
Fees for services		
State of Colorado		
State General Fund	\$ 3,450,454	\$ 3,591,091
Medicaid	3,788,118	3,649,522
County and cities	38,225	45,225
Grants and other		
Department of Health and Human Services	95,195	35,972
Colorado Department of Transportation	54,931	-
Part C	866,277	-
Other	60,577	56,459
Total fees and grants from governmental agencies	8,353,777	7,378,269
Public support		
Contributions	54,036	63,218
United Way	31,737	27,027
Residential room and board	224,106	245,394
Other revenue	293,921	170,785
Total revenues and support	8,957,577	7,884,693
Expenses		
Program services		
Residential	1,918,571	1,923,311
Supported living services	689,457	543,878
Adult day	864,952	795,818
Children's extensive support	114,883	136,361
Early intervention	1,798,741	1,551,812
Family support	689,774	604,480
Case management	2,396,069	2,111,963
Total program services	8,472,447	7,667,623
Supporting services		
Management and general	598,784	521,618
Fundraising	73,155	72,436
Total expenses	9,144,386	8,261,677
CHANGE IN NET ASSETS	(186,809)	(376,984)
Net assets, beginning of year	3,459,809	3,836,793
Net assets, end of year	\$ 3,273,000	\$ 3,459,809

The accompanying notes are an integral part of this statement.

Envision, Creative Support for People with Developmental Disabilities  
STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2023

(With summarized financial information for the year ended June 30, 2022)

Expenses	<b>Program Services</b>			
	Residential	Supported living services	Adult day	Children's extensive support
Salaries, benefits and taxes	\$ 884,124	\$ 180,899	\$ 565,015	\$ -
Professional services	787,595	108,728	241	113,036
Staff development and travel	2,523	441	1,411	-
Vehicles	10,582	17,950	57,367	-
Occupancy and equipment	105,273	12,934	41,339	-
Supplies and equipment	31,517	10,201	26,627	-
Insurance	27,610	17,687	56,531	-
Client assistance	-	288,368	-	1,018
Telephone	14,538	4,287	13,703	-
Other	41,424	24,685	28,319	829
Interest	1,039	1,889	6,039	-
Depreciation and amortization	12,346	21,388	68,360	-
Total expenses	<u>\$ 1,918,571</u>	<u>\$ 689,457</u>	<u>\$ 864,952</u>	<u>\$ 114,883</u>

The accompanying notes are an integral part of this statement.



**Program Services**

Early interven- tion	Family support	Case manage- ment	Management and general	Fund- raising	Total	
					2023	2022
\$ -	\$ 16,927	\$2,101,635	\$ 443,192	\$ 57,722	\$ 4,249,514	\$ 3,770,691
1,797,748	-	18,312	25,114	178	2,850,952	2,625,734
-	-	3,107	4,261	415	12,158	6,808
-	-	-	-	-	85,899	72,180
-	-	110,071	41,215	5,418	316,250	327,654
-	849	10,556	26,651	424	106,825	109,024
-	-	48,244	11,452	1,156	162,680	146,229
-	667,841	-	-	-	957,227	817,585
-	-	40,161	5,571	706	78,966	76,785
993	4,157	34,983	30,529	5,624	171,543	146,058
-	-	1,553	304	34	10,858	15,402
-	-	27,447	10,495	1,478	141,514	147,527
<u>\$ 1,798,741</u>	<u>\$ 689,774</u>	<u>\$2,396,069</u>	<u>\$ 598,784</u>	<u>\$ 73,155</u>	<u>\$ 9,144,386</u>	<u>\$ 8,261,677</u>

The accompanying notes are an integral part of this statement.

Envision, Creative Support for People with Developmental Disabilities  
STATEMENT OF CASH FLOWS  
Year ended June 30, 2023  
(With summarized financial information for the year ended June 30, 2022)

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ (186,809)	\$ (376,984)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	141,514	147,527
Loss on disposal of land, buildings and equipment	-	35,167
Realized/unrealized (gain)/loss on investments	(50,306)	186,885
Change in assets and liabilities		
(Increase) decrease in accounts receivable	(66,452)	23,353
(Increase) decrease in prepaid expenses and other	15,859	(59,506)
Increase in accounts payable and accrued personnel expenses	162,271	186,513
Net cash provided by operating activities	16,077	142,955
Cash flows from investing activities		
Purchase of land, buildings and equipment	(3,001)	(184,601)
Proceeds from sale of land, building and equipment	-	400
Purchase of investments	(822,046)	(2,285,355)
Proceeds from sale of investments	1,011,513	2,463,890
Net cash provided by (used in) investing activities	186,466	(5,666)
Cash flows used in financing activities		
Finance lease payments	(78,163)	(74,059)
Net cash used in investing activities	(78,163)	(74,059)
NET INCREASE IN CASH AND CASH EQUIVALENTS	124,380	63,230
Cash and cash equivalents, beginning of year	389,233	326,003
Cash and cash equivalents, end of year	\$ 513,613	\$ 389,233
Supplemental data		
Cash paid for interest	\$ 10,858	\$ 15,402

The accompanying notes are an integral part of this statement.

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This description of Envision, Creative Support for People with Developmental Disabilities' (the Center) nature of activities and summary of significant accounting policies is presented to assist in understanding the Center's financial statements.

1. *Summary of Business Activities*

The Center was incorporated under the laws of the State of Colorado in 1964 for the purpose of providing a community center board to coordinate programs through interagency cooperation and local agencies to provide services to persons with developmental disabilities in Weld County. The Center was incorporated as Weld County Community Center Foundation and in April 1986, began doing business as Envision, Creative Support for People with Developmental Disabilities, a Colorado nonprofit corporation. The Center's revenue comes primarily from the State of Colorado for services provided.

2. *Description of Services Provided*

The major program services or supports and functional activities directly provided or purchased by the Center are:

**Program Services or Supports**

Residential refers to residential services as specified in the eligible person's Individualized Plan (IP). Included are a number of different types of residential settings, which provide an array of training, learning, experiential and support activities provided in residential living alternatives designed to meet individual needs.

Supported Living Services provides individualized living services for persons who are responsible for their own living arrangements in the community.

Adult Day includes a number of different type of services and supports which provide opportunities for individuals to experience and actively participate in valued roles in the community as specified in the IP. These services and supports enable individuals to access and participate in typical community activities such as work, recreation, and senior citizen activities. Included in this program are services for persons who are responsible for their own living arrangements in the community.

Children's Extensive Support is a deeming waiver (only the child's income is considered in determining eligibility) intended to provide needed services and supports to eligible children under the age of eighteen years in order for the children to remain in or return to the family home. Waiver services are targeted to children having extensive support

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

2. *Description of Services Provided (Continued)*

**Program Services or Supports (Continued)**

needs, which require constant line-of-sight supervision due to significantly challenging behaviors and/or coexisting medical conditions. Available services include personal assistance, household modification, specialized medical equipment and supplies, professional services and community connection services.

Early Intervention is for children from birth through age two which offer infants and toddlers and their families services and supports to enhance child development in the areas of cognition, speech, communication, physical, motor, vision, hearing, social-emotional development, and self help skills; parent-child or family interaction; and early identification, screening and assessment services.

Family Support provides an array of supportive services to the person with a developmental disability and his/her family when the person remains within the family home, thereby preventing or delaying the need for out-of-home placement, which is unwanted by the person or the family.

Case Management is the determination of eligibility for services and supports, service and support coordination, and the monitoring of all services and supports delivered pursuant to the IP, and the evaluation of results identified in the IP.

**Supporting Services**

Management and General includes those activities necessary for planning, coordination, and overall direction of the Center, financial administration, general board activities and other related activities indispensable to the Center's corporate existence.

Fundraising represents the Center's costs to develop and maintain a fundraising effort that generates awareness and increases support for persons with disabilities.

3. *Basis of Accounting*

Financial statements of the Center have been prepared on the accrual basis, whereby revenues are recorded when services are provided and expenses are recognized when incurred.

4. *Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

4. *Use of Estimates (Continued)*

reported amounts of revenues, support and expenses during the reporting period. Actual results could differ from those estimates.

5. *Subsequent Events*

The Center has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through July 2, 2024, the date on which the financial statements were issued. The Center did not identify any events or transactions that would have a material impact on the financial statements, except as disclosed in Note I.

6. *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Center considers cash to be cash on hand and cash on deposit, subject to immediate withdrawal, and cash equivalents to be short-term investments with an original maturity of three months or less.

The Center maintains its cash balances in one financial institution located in Colorado which at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

7. *Investments*

The Center records investments in equity and debt securities at fair value in the statement of financial position. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

8. *Accounts Receivable*

The majority of the Center's accounts receivable are due from the State of Colorado. Accounts receivable are due according to contractual terms and are stated at the amount management expects to collect from outstanding balances. The Center determines its allowance for uncollectible receivables by considering a number of factors, including the length of time accounts receivable are past due and the Center's previous collection history. The Center writes off accounts receivable to bad debt expense after reasonable collection efforts have been made. Payments subsequently received on such receivables, if any, are recorded as other revenue.

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

9. *Land, Buildings and Equipment*

Land, buildings and equipment are reported at cost for purchased assets and estimated fair value, at date of receipt, for donated property. Items are capitalized if the cost or estimated value exceeds \$5,000. Depreciation and amortization is provided on the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	5–30
Administrative and program equipment	5
Transportation equipment	5

10. *Leases*

The Center leases vehicles and software. The Center determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current liabilities, and operating lease liabilities on the Center’s statement of financial position. Finance leases are included in finance lease ROU assets, current liabilities, and finance lease liabilities on the Center’s statement of financial position.

ROU assets represent the Center’s right to use an underlying asset for the lease term and lease liabilities represent the Center’s obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Center’s leases do not provide an implicit rate, the Center uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The Center’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Center will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Center’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Center has elected to apply the short-term lease exemption to its classes of underlying assets which are postage meter, copier and apartments. The short-term lease cost recognized and disclosed for those leases for the year ended June 30, 2023 is \$81,361. The remaining lease payments due during the year ending June 30, 2024 are \$11,927.

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

10. *Leases (Continued)*

In determining the discount rate used to measure the right-of-use asset and lease liability, the Center uses rates implicit in the lease, or if not readily available, the Center uses its incremental borrowing rate.

11. *Revenue Recognition*

Revenue is reported at the amount that reflects the consideration to which the Center expects to be entitled in exchange for providing services. Program revenue consists primarily of funds received from the State of Colorado for Medicaid and other services, miscellaneous smaller grants and awards from federal, state, county and municipal sources. Billings for services are billed after the services are performed. As performance obligations are satisfied, revenue is recognized.

Performance obligations are determined based on the nature of the services provided. As performance obligations are satisfied over time, revenue is recognized based on when related services are performed. This method provides for the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligations. Transaction price is based on standard charges for services provided, which is set by the State of Colorado. Rent income is recognized in the month in which it is earned rather than received.

12. *Accounting for Contributions*

All contributions are considered to be without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods, or are restricted by the donor for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as net assets with donor restrictions.

A donor restriction expires when a stipulated time restriction ends, when an unconditional promise with an implied time restriction is collected, or when a purpose restriction is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. Restricted contributions received in the same year in which the restrictions are met are recorded as increases in net assets without donor restrictions.

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

13. *In-Kind Contributions*

Contributions of property, materials and personal services are known as in-kind contributions and are recorded at estimated fair value at the date of receipt. The amount recorded for these contributions (other than contributions of land, building and equipment) is also included as program costs to properly reflect the total cost of the particular program.

14. *Income Taxes*

The Center is operated as a nonprofit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Center recognizes tax liabilities when, despite the Center's belief that its tax return positions are supportable, the Center believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement. The Center has concluded there is no tax liability or benefit required to be recorded as of June 30, 2023. The Center is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Center believes it is no longer subject to income tax examinations for the years prior to the year ended June 30, 2020.

15. *Functional Allocation of Expenses*

The costs of supporting various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated to program and management and general based on estimates of time and effort, square footage of the office and other methods.

16. *Fair Value Measurements*

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy has been established under generally accepted accounting principles, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities, mutual funds, and exchange traded funds that are traded in an active exchange market.



Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

16. *Fair Value Measurements (Continued)*

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. This category generally includes certain U.S. Government agency debt securities and corporate debt securities. The Center’s Level 2 securities are primarily valued using quoted market prices for similar instruments and nonbinding market prices that are corroborated by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. The disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

17. *Prior Year Summarized Information and Reclassifications*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. 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 Center’s financial statements as of and for the year ended June 30, 2022, from which the summarized information was derived. Certain financial information as of and for the year ended June 30, 2022 has been reclassified to conform with the presentation for the current year.

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

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

18. *Recent Accounting Pronouncements*

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Center adopted the standard effective July 1, 2022 and recognized and measured leases existing at, or entered into after, July 1, 2021 (the beginning of the earliest summarized financial information period presented) using a modified retrospective approach, with certain practical expedients available.

The Center elected the available practical expedients to account for its existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Center recognized on July 1, 2021, a lease liability at the carrying amount of the capital lease obligations on June 30, 2021, of \$306,683 and a right-of-use asset at the carrying amount of the capital lease asset of \$296,850. The adoption had no effect on net assets or change in net assets.

NOTE B – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 513,613
Investments	1,438,154
Accounts receivable	<u>1,628,618</u>
	\$ <u>3,580,385</u>

Envision, Creative Support for People with Developmental Disabilities

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE B – LIQUIDITY AND AVAILABILITY (CONTINUED)

As a part of the Center’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.

In addition, the Center invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Center has a committed line of credit in the amount of \$500,000 which it could draw upon. As of June 30, 2023, the Center had no outstanding balance on the line of credit.

NOTE C – INVESTMENTS

Investments at June 30, 2023 are classified as current. The following table presents the Center’s investments and the fair value hierarchy for those investments as of June 30, 2023.

	Fair Value	Level 1	Level 2	Level 3
Equity income securities - domestic	\$ 516,859	\$ 516,859	\$ -	\$ -
Equity income securities - foreign	10,183	10,183	-	-
Exchange traded funds	5,142	5,142	-	-
Mutual funds	<u>905,970</u>	<u>905,970</u>	-	-
Total investments	\$ <u>1,438,154</u>	\$ <u>1,438,154</u>	\$ -	\$ -

NOTE D – LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment consists of the following at June 30, 2023:

Buildings and improvements	\$ 1,482,027
Administrative and program equipment	337,943
Transportation equipment	<u>399,195</u>
	2,219,165
Less accumulated depreciation and amortization	<u>1,871,581</u>
	347,584
Land	<u>174,000</u>
	\$ <u><u>521,584</u></u>

Depreciation and amortization expense was \$74,715 for the year ended June 30, 2023.

Envision, Creative Support for People with Developmental Disabilities

NOTES TO FINANCIAL STATEMENTS

June 30, 2023

NOTE E – PORTFOLIO LOAN ACCOUNT FACILITY

Envision entered into a secured variable rate portfolio loan account facility with a bank for an available amount of \$500,000. Drawings on the facility are available on a revolving line of credit basis and bear interest at a variable rate equal to 30-day maturity LIBOR, which was 7.17% at June 30, 2023. Amounts drawn under the facility may be repaid and re-borrowed by Envision from time to time. The facility has an indefinite term. The facility is secured by the investment portfolio. There was no outstanding balance at June 30, 2023 and interest expense for the year ended June 30, 2023 was \$0.

NOTE F – LEASES

The Center leases vehicles and software under finance leases. The leases, which are non-cancelable, expire in fiscal years 2024 and 2026. As of June 30, 2023, assets recorded under finance leases were \$388,991 and accumulated depreciation associated with finance leases was \$236,736.

The components of lease expense were as follows for the year ended June 30, 2023:

Short-term lease cost	\$	<u>81,361</u>
Finance lease cost		
Amortization of right-of-use assets	\$	66,799
Interest on lease liabilities		<u>10,858</u>
Total finance lease cost	\$	<u>77,657</u>

Other information related to leases was as follows for finance leases:

Weighted-average remaining lease term	1.88 years
Weighted-average discount rate	5.55%

The future minimum lease payments under noncancelable finance leases with terms greater than one year as of June 30, 2023 are as follows:

Year ending June 30,		
2024	\$	89,021
2025		70,677
2026		<u>3,345</u>
		163,043
Less amount representing interest		<u>8,582</u>
Total minimum lease payments		154,461
Less current portion		<u>82,503</u>
Long-term finance lease liabilities	\$	<u>71,958</u>

Envision, Creative Support for People with Developmental Disabilities  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023

NOTE G – FUNCTIONALIZED 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 salaries and benefits, telephone, depreciation and amortization, insurance, utilities, postage, storage and equipment lease, miscellaneous and interest, which are allocated on the basis of usage studies, square footage and other methods.

NOTE H – RELATED PARTY TRANSACTIONS

The Center receives a substantial amount of revenue from the State of Colorado. The amount of receivables the Center has from the State of Colorado are \$1,588,252 at June 30, 2023. These transactions are considered to be transactions with a related party by virtue of the significant management influence exercised by the State of Colorado through contract provisions.

NOTE I – SUBSEQUENT EVENTS

Envision has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through July 2, 2024, the date on which the financial statements were issued. Envision has identified the following event and associated transactions that will have a material impact on the financial statements. The State of Colorado is undertaking a major initiative called Case Management Redesign (CMRD) that has created a new Case Management Agency (CMA). CMRD will impact all individuals accessing long term supports and services including case management for Home Community and Based Services, the Family Support and Services Program, State Supported Living Services, OBRA and Quality Assurance. Weld County received the Notice of Award to become the CMA for Weld County in July of 2023. Consequently, Envision will no longer be providing these services as of March 1, 2024.

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*Supplementary Information*

Envision, Creative Support for People with Developmental Disabilities  
SUMMARY OF REVENUES, SUPPORT AND EXPENSES BY PROGRAM  
Year ended June 30, 2023  
(With summarized financial information for the year ended June 30, 2022)

	<b>Program Services</b>			
	<u>Non specified</u>	<u>Residential</u>	<u>Supported living services</u>	<u>Adult day</u>
Revenues and support				
Fees and grants from governmental agencies				
Fees for services				
State of Colorado				
State General Fund	\$ -	\$ -	\$ 417,559	\$ -
Medicaid	-	2,332,975	-	198,082
County and cities	-	38,225	-	-
Grants and other				
Department of Health and Human Services	-	-	-	-
Colorado Department of Transportation	-	54,931	-	-
Part C	-	-	-	-
Other	-	2,425	-	-
Total fees and grants from governmental agencies	-	2,428,556	417,559	198,082
Public support				
Contributions	-	1,166	-	150
United Way	-	-	-	-
Residential room and board	-	224,106	-	-
Other revenue	121,483	22,271	-	-
Total revenues and support	<u>\$ 121,483</u>	<u>\$ 2,676,099</u>	<u>\$ 417,559</u>	<u>\$ 198,232</u>
Expenses				
Salaries				
Direct care	\$ -	\$ 746,245	\$ 146,370	\$ 449,444
Other	-	-	-	-
Payroll taxes	-	71,790	15,706	48,508
Employee benefits	-	66,089	18,823	67,063
Total personal services	-	884,124	180,899	565,015
Medical professional services				
Other	-	30,900	11,711	-



**Program Services**

Children's extensive support	Early interven- tion	Family support	Case manage- ment	Management and general	Fund- raising	Total	
						2023	2022
\$ 34,195	\$ 870,377	\$ 667,841	\$ 879,968	\$ 580,514	\$ -	\$ 3,450,454	\$ 3,591,091
114,055	-	-	1,143,006	-	-	3,788,118	3,649,522
-	-	-	-	-	-	38,225	45,225
-	-	-	-	95,195	-	95,195	35,972
-	-	-	-	-	-	54,931	-
-	866,277	-	-	-	-	866,277	-
-	-	28,152	30,000	-	-	60,577	56,459
148,250	1,736,654	695,993	2,052,974	675,709	-	8,353,777	7,378,269
-	-	-	496	-	52,224	54,036	63,218
-	-	-	30,500	1,237	-	31,737	27,027
-	-	-	-	-	-	224,106	245,394
120	61,024	32,000	45,648	11,375	-	293,921	170,785
<u>\$ 148,370</u>	<u>\$ 1,797,678</u>	<u>\$ 727,993</u>	<u>\$ 2,129,618</u>	<u>\$ 688,321</u>	<u>\$ 52,224</u>	<u>\$ 8,957,577</u>	<u>\$ 7,884,693</u>
\$ -	\$ -	\$ 16,054	\$ 1,779,944	\$ -	\$ -	\$ 3,138,057	\$ 2,754,036
-	-	-	-	364,514	53,019	417,533	356,823
-	-	873	168,139	35,395	4,703	345,114	323,864
-	-	-	153,552	43,283	-	348,810	335,968
-	-	16,927	2,101,635	443,192	57,722	4,249,514	3,770,691
87,092	1,785,204	-	-	-	-	1,914,907	1,661,740

(Continued)

Envision, Creative Support for People with Developmental Disabilities  
SUMMARY OF REVENUES, SUPPORT AND EXPENSES BY PROGRAM (CONTINUED)  
Year ended June 30, 2023  
(With summarized financial information for the year ended June 30, 2022)

	<b>Program Services</b>			
	Non specified	Residential	Supported living services	Adult day
Other professional services	\$ -	\$ 756,695	\$ 97,017	\$ 241
Staff development	-	1,454	269	858
Staff travel	-	1,069	172	553
Vehicles				
Fuel and oil	-	4,955	5,878	18,786
Maintenance	-	5,627	12,072	38,581
Occupancy				
Rent	-	66,690	-	-
Maintenance	-	6,817	3,859	12,332
Utilities	-	21,875	4,030	12,882
Equipment				
Leases	-	1,208	730	2,335
Maintenance	-	8,683	4,315	13,790
Supplies				
Medical and client care supplies	-	26,515	2,327	4,236
Other	-	5,002	7,874	22,391
Telephone	-	14,538	4,287	13,703
Dues and subscriptions	-	-	42	133
Food	-	24,532	-	-
Insurance	-	27,610	17,687	56,531
Interest	-	1,039	1,889	6,039
Other	-	16,892	24,643	28,186
Total direct program expenses	-	1,906,225	379,701	796,592
Purchased services	-	-	288,368	-
Expenses before depreciation and amortization	-	1,906,225	668,069	796,592
Depreciation and amortization	-	12,346	21,388	68,360
Total expenses	\$ -	\$ 1,918,571	\$ 689,457	\$ 864,952

**Program Services**

Children's extensive support	Early interven- tion	Family support	Case manage- ment	Management and general	Fund- raising	Total	
						2023	2022
\$ 25,944	\$ 12,544	\$ -	\$ 18,312	\$ 25,114	\$ 178	\$ 936,045	\$ 963,994
-	-	-	450	3,160	-	6,191	3,157
-	-	-	2,657	1,101	415	5,967	3,651
-	-	-	-	-	-	29,619	30,073
-	-	-	-	-	-	56,280	42,107
-	-	-	-	-	-	66,690	68,815
-	-	-	23,645	9,290	1,315	57,258	74,272
-	-	-	25,285	9,932	1,509	75,513	66,263
-	-	-	8,541	1,671	186	14,671	13,336
-	-	-	52,600	20,322	2,408	102,118	104,968
-	-	-	-	-	-	33,078	41,812
-	-	849	10,556	26,651	424	73,747	67,212
-	-	-	40,161	5,571	706	78,966	76,785
-	-	-	-	23,573	810	24,558	23,796
-	-	-	-	-	-	24,532	25,148
-	-	-	48,244	11,452	1,156	162,680	146,229
-	-	-	1,553	304	34	10,858	15,402
829	993	671,998	34,983	6,956	4,814	790,294	735,337
113,865	1,798,741	689,774	2,368,622	588,289	71,677	8,713,486	7,934,788
1,018	-	-	-	-	-	289,386	179,362
114,883	1,798,741	689,774	2,368,622	588,289	71,677	9,002,872	8,114,150
-	-	-	27,447	10,495	1,478	141,514	147,527
<u>\$ 114,883</u>	<u>\$ 1,798,741</u>	<u>\$ 689,774</u>	<u>\$ 2,396,069</u>	<u>\$ 598,784</u>	<u>\$ 73,155</u>	<u>\$ 9,144,386</u>	<u>\$ 8,261,677</u>

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  
Envision, Creative Support for People with Developmental Disabilities

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 Envision, Creative Support for People with Developmental Disabilities (the Center), which comprise the Center's statement of financial position as of June 30, 2023, 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 July 2, 2024.

#### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Center'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 the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 Center'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 or significant deficiencies may exist that were not identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Center'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 financial statements. 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 Center'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 Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Logan, Thomas + Johnson, LLC

Castle Rock, Colorado

July 2, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors  
Envision, Creative Support for People with Developmental Disabilities

**Report on Compliance for Each Major Federal Program**

*Opinion on Each Major Federal Program*

We have audited Envision, Creative Support for People with Developmental Disabilities' (the Center) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2023. The Center's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

*Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Center's compliance with the compliance requirements referred to above.

*Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Center's federal programs.

*Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material

noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on 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 federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 federal program 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 federal program 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Logan, Thomas + Johnson, LLC*

Castle Rock, Colorado  
July 2, 2024

Envision, Creative Support for People with Developmental Disabilities  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND NOTES TO SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Transportation</b>				
Passed through North Front Range Metropolitan Planning Organization.:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	491002841	\$ -	\$ <u>54,931</u>
<b>Total U.S. Department of Transportation</b>			-	<u>54,931</u>
<b>U.S. Department of Education</b>				
Passed through Colorado Department of Human Services: Special Education – Grants for Infants and Families	84.181		-	<u>886,277</u>
<b>Total U.S. Department of Education</b>			-	<u>886,277</u>
<b>U.S. Department of Health and Human Services</b>				
Passed through Colorado Department of Health Care Policy and Financing: Medicaid Cluster				
Medical Assistance Program	93.778		-	<u>167,583</u>
Total Medicaid Cluster			-	<u>167,583</u>
<b>Total U.S. Department of Health and Human Services</b>			-	<u>167,583</u>
<b>Total Expenditures of Federal Awards</b>			\$ -	\$ <u><u>1,108,791</u></u>

(continued)

The accompanying notes are an integral part of this schedule.



Envision, Creative Support for People with Developmental Disabilities  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND NOTES TO SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
Year ended June 30, 2023

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Envision, Creative Support for People with Developmental Disabilities under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Envision, Creative Support for People with Developmental Disabilities, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Envision, Creative Support for People with Developmental Disabilities.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST RATE

Envision, Creative Support for People with Developmental Disabilities has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Envision, Creative Support for People with Developmental Disabilities  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Year ended June 30, 2023

*Section I – Summary of Auditor’s Results*

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

- Unmodified
- Qualified
- Adverse
- Disclaimer

Internal control over financial reporting:  
 Material weakness(es) identified?  
 Significant deficiency(ies) identified?

- Yes     No
- Yes     None reported

Noncompliance material to financial statements noted?

- Yes     No

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?  
 Significant deficiency(ies) identified?

- Yes     No
- Yes     None reported

Type of auditor’s report issued on compliance for major federal programs:

- Unmodified
- Qualified
- Adverse
- Disclaimer

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

- Yes     No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
84.181	Special Education – Grants for Infants and Families

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

- Yes     No

(continued)

Envision, Creative Support for People with Developmental Disabilities  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year ended June 30, 2023

**Section II – Financial Statement Findings**

No matters were reported.

**Section III – Federal Award Findings and Questioned Costs**

No matters were reported.

Envision, Creative Support for People with Developmental Disabilities  
SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS  
Year ended June 30, 2023

No matters were reported.