

**THE MIAMI-DADE COALITION FOR
COMMUNITY EDUCATION, INC.
FINANCIAL STATEMENTS
JUNE 30, 2007**

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JUNE 30, 2007

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Independent Accountants' Report

To the Board of Directors
The Miami-Dade Coalition for Community Education, Inc.

We have audited the accompanying financial statements of The Miami-Dade Coalition for Community Education, Inc. (the "Coalition") as of and for the year ended June 30, 2007 as listed in the table of contents. These financial statements are the responsibility of the management of the Coalition. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Miami-Dade Coalition for Community Education, Inc. as of June 30, 2007, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2007 on our consideration of the Coalition's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Coalition has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

October 25, 2007

THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
STATEMENT OF NET ASSETS
JUNE 30, 2007

Assets

Cash and cash equivalents	\$ <u>36,977</u>
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Total Assets	\$ <u><u>36,977</u></u>
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Net Assets

Unrestricted	\$ 21,109
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Restricted	<u>15,868</u>
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Total Net Assets	\$ <u><u>36,977</u></u>
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The accompanying notes are an integral part of these financial statements.

**THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007**

Operating revenues:

Contributions and grants	\$ <u>60,323</u>
Total operating revenues	<u>60,323</u>

Operating expenses:

Sponsorships	61,330
Other program expenses	<u>7,643</u>
Total operating expenses	<u>68,973</u>
Operating loss	(8,650)
Net assets at beginning of year	<u>45,627</u>
Net assets at end of year	<u>\$ 36,977</u>

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

THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007

Cash flows from operating activities:

Cash received for support	\$ 60,323
Payments for sponsorships	(61,330)
Payments for other program expenses	<u>(7,643)</u>
Net cash used in operating activities	<u>(8,650)</u>

Net decrease in cash and cash equivalents	(8,650)
Cash and cash equivalents, beginning of year	<u>45,627</u>
Cash and cash equivalents, end of year	<u>\$ 36,977</u>

Reconciliation at operating loss to net cash used in:

Operating activities:	
Operating loss	\$ <u>(8,650)</u>

Net cash used in operating activities	<u>\$ (8,650)</u>
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The accompanying notes are an integral part of these financial statements.

THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note 1 - Organization

Organization

The Miami-Dade Coalition for Community Education, (the "Coalition") is a not-for-profit corporation organized in accordance with Chapter 617, Florida Statutes and operated as a Miami-Dade County School Board ("School Board") direct-support organization in accordance with Section 1001.453, Florida Statutes and School Board Rule 6Gx13-1B-1.08. The Coalition was incorporated in June 1990 for the main purpose of encouraging private and public philanthropic support of community education aid making distributions from such support to community education programs.

Note 2 - Summary of Significant Accounting Policies

Basis of accounting and presentation

The financial statements of the Coalition have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Coalition's significant accounting policies are described below:

In accordance with GASB Statement No. 34, the Coalition met the criteria to use enterprise fund accounting and financial reporting. Accordingly, the financial statements have been prepared on the accrual basis of accounting, which recognizes revenue when earned and expenses when a liability is incurred, regardless of when the related cash flow occurs.

Application of FASB standards

GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, offers the options of following all Financial Accounting Standards Board (FASB) standards issued after November 30, 1989, unless the latter conflict with or contradict GASB pronouncements, or not following FASB standards issued after such date. The Coalition elected the option not to follow FASB standards.

Cash and cash equivalents

For purposes of the statement of cash flows, the Coalition considers all highly liquid pooled investments with a maturity of three months or less when purchased to be cash equivalents. Cash deposits are insured by federal depository insurance.

In addition to insurance provided by the Federal Depository Insurance Corporation all of the Coalition's time and demand deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds.

THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note 2 - Summary of Significant Accounting Policies (Cont'd)

Cash and Cash equivalents (cont'd)

Under the Florida Statutes, Chapter 280. Florida Security for Public Deposits" Act (Chapter 280), the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral equal to 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally in the form of U.S. government and agency securities, state or local government debt] or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting loss. Accordingly, all of the Coalition's cash held by banks can be classified as category I credit risk as defined in GASB No. 3, which means they are fully collateralized or insured.

Income taxes

The Coalition is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code. Accordingly, the financial statements reflect no provision for income taxes.

Flow assumption for restricted assets

If both restricted and unrestricted assets are available for use for a certain purpose, it is the Coalitions policy to use restricted assets first, then use unrestricted assets as needed.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note 3 - Restricted Net Assets

Restricted net assets represent contributions received by the Coalition whose use has been restricted by the donors. These restricted contributions include:

<u>Program</u>	
Parental Conferences	167
Parental Involvement	3,205
Baby & Me	7,859
Parent Academy	3,361
Inner City	<u>1,276</u>
Total restricted net assets	<u>\$ 15,868</u>



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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**

Board of Directors
The Miami-Dade Coalition for
Community Education, Inc.

We have audited the accompanying financial statements of the Miami-Dade Coalition for Community Education, Inc. (the "Coalition"), as of and for the year ended June 30, 2007, which collectively comprise the Coalition's basic financial statements and have issued our report thereon dated October 25, 2007. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Coalition's internal control over financial reporting as a basis for designing our auditing procedures 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 Coalition's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Coalition's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Coalition'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.

This report is intended solely for the information and use of management, members of the Board of the Coalition, members of the School Board of Miami-Dade County, Florida, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Sharpton Brunson & Company P.A.

October 25, 2007



THE MIAMI-DADE COALITION FOR COMMUNITY EDUCATION, INC.
AUDIT OBSERVATIONS AND RECOMMENDATIONS
JUNE 30, 2007

Status of Current Year Observations and Recommendations

There were no current year observations and recommendations to report.

Status of Prior Year Observations and Recommendations

There were no prior year observations and recommendations made.