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Ana Rivas Logan

January 20, 2009

The Honorable President and Directors
Richmond-Perrine Optimist Club, Inc. of Miami
9955 West Indigo Street
Miami, Florida 33157

VIA EMAIL & U.S. MAIL

richprn@bellsouth.net

RE: AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008 FOR THE RICHMOND- PERRINE OPTIMIST CLUB, INC.

We are in receipt of the audited financial statements for the Richmond-Perrine Optimist Club, Inc. We plan to present your audited financial statements to the School Board Audit Committee at its regularly scheduled meeting: Tuesday, January 27, 2009, in room 916 of the School Board Administration Building, 1450 N.E. 2nd Avenue at 12:30 p.m. Please plan on attending or sending a representative from your school to respond to questions that the Audit Committee may have.

Should you have any questions, please call Mr. Jon Goodman at 305-995-1323. Thank you in advance for your cooperation.

Sincerely,

Trevor L. Williams, CPA, Assistant Chief Auditor
Office of Management and Compliance Audits

TLW:la

cc: Mr. Alberto M. Carvalho
Dr. Carmen Marinelli
Dr. Richard H. Hinds
Mr. Allen M. Vann
Ms. Martha M. Montaner
Mr. Antonio Martinez

**RICHMOND-PERRINE OPTIMIST CLUB, INC.
OF
MIAMI, FLORIDA
INDEPENDENT AUDITORS'
REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
*For the year ended June 30, 2008***

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors of the
Richmond-Perrine Optimist Club, Inc.
Of Miami, Florida

We have audited the accompanying statement of financial position of The Richmond-Perrine Optimist Club, Inc. of Miami, Florida, (Organization) as of June 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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, and the provisions of Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards and OMB Circular A-133 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Richmond-Perrine Optimist Club, Inc. of Miami, Florida as of June 30, 2008 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.

In accordance with Government Auditing Standards, we have also issued our report dated December 29, 2008, on our consideration of Richmond-Perrine Optimist Club, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of expenditure of financial awards for the year ended June 30, 2008 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audit of State, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The schedules of financial assistance and construction financial assistance are also presented for purposes of additional analysis and are not a required part of the basic financial statements. All supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly presented in all material respect, in relation to the basic financial statement taken as a whole.

Miami, Florida
December 29, 2008

Nzeribe & Company, P.A.

RICHMOND-PERRINE OPTIMIST
CLUB, INC. OF MIAMI, FLORIDA
STATEMENT OF FINANCIAL POSITION
For the year ended June 30, 2008
 With comparative totals for year 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Current Assets:		
Cash	\$ 304,159	\$ 249,743
Due from grantors	<u>437,169</u>	<u>1,321,711</u>
Current Assets	741,328	1,571,454
Non-current Assets:		
Construction in progress	4,113,782	3,600,368
Leased equipments (net)	<u>30,400</u>	<u>39,186</u>
Non-current Assets	4,144,182	3,639,554
TOTAL ASSETS	<u>\$ 4,885,510</u>	<u>\$ 5,211,008</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	181,789	125,647
Accrued payroll	125,450	53,899
Retainage Payable	60,927	74,582
Bank Loan Payable	43,632	43,632
Lease liability-current	<u>8,839</u>	<u>12,588</u>
Current Liabilities	420,637	310,348
Non-current Liabilities:		
Lease liabilities -noncurrent	21,923	23,412
TOTAL LIABILITIES	<u>442,560</u>	<u>333,760</u>
NET ASSEST		
Unrestricted	3,924,399	2,981,162
Temporarily Restricted	<u>518,551</u>	<u>1,896,086</u>
TOTAL NET ASSETS	<u>4,442,950</u>	<u>4,877,248</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,885,510</u>	<u>\$5,211,008</u>

See accompanying notes to financial statements

**RICHMOND-PERRINE OPTIMIST
CLUB, INC. OF MIAMI, FLORIDA**
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2008
 With comparative totals for year 2007

UNRESTRICTED NET ASSETS

	<u>2008</u>	<u>2007</u>
Support:		
Miami-Dade County-OCED	\$ 0	\$ 192,565
Miami Dade County-Dept of Human Services	571,799	347,527
Miami-Dade County School Board	351,909	316,170
The Children's Trust	981,083	936,086
United Way of Dade County Miami Dade	121,785	121,785
Contributions	<u>4,135</u>	<u>10,133</u>
 Total Unrestricted Revenue	 2,030,711	 1,924,266
 Net Asset Release from restriction	 <u>33,600</u>	 <u>30,541</u>
 Total Support	 <u>2,064,311</u>	 <u>1,954,807</u>
 EXPENSES:		
Program Services:		
Training	424,344	412,126
Education	312,475	337,127
Youth Service (including crime/drug prevention)	<u>1,071,330</u>	<u>996,832</u>
	1,808,149	1,746,085
Supporting Services:		
General & Administrative	172,925	170,799
 Total Expenses	 <u>1,981,074</u>	 <u>1,916,884</u>
 Increase in Unrestricted Net Assets	 83,237	 37,923

TEMPORARY RESTRICTED NET ASSETS:

Receipt for program future program activities	376,065	0
Net Asset release from restriction	(33,600)	(30,541)
Recapture of CDBG Construction fund- See Note 7	<u>(860,000)</u>	<u>0</u>
 (Decrease) in Temporarily Restricted Net Assets	 (517,535)	 (30,541)
 (Decrease)Increase in Net assets. - See Note 7	 (434,298)	 7,382
 Net assets at beginning of year :	 4,877,248	 4,869,866
 Net assets at end of year :	 <u>\$4,442,950</u>	 <u>\$4,877,248</u>

See accompanying notes to financial statements

RICHMOND-PERRINE OPTIMIST CLUB, INC. OF MIAMI, FLORIDA

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2008

with comparative totals for 2007

	<u>PROGRAM SERVICES</u>				SUPPORT <u>SERVICES</u>		
	<u>TRAINING</u>	<u>EDUCATION</u>	<u>YOUTH SERVICES</u>	<u>TOTAL</u>	<u>GENERAL ADMIN</u>	<u>2008 TOTAL</u>	<u>2007 TOTAL</u>
Salaries	159,690	263,847	743,149	1,166,686	125,843	1,292,529	1,289,211
Fringe benefits	<u>20,570</u>	<u>22,583</u>	<u>88,038</u>	<u>131,191</u>	<u>14,227</u>	<u>145,418</u>	<u>149,503</u>
Total	180,260	286,430	831,187	1,297,877	140,070	1,437,947	1,438,714
Participants' wages							
stipends & fringes	184,658		21,481	206,139		206,139	155,430
Transportation	10,183		10,502	20,685		20,685	20,833
Equipment rentals	1,491	183	579	2,253	307	2,560	9,235
Field trip admissions	23,026		24,948	47,974		47,974	43,850
Program/Operating supplies	1,248	1,784	28,041	31,073		31,073	25,829
Professional fees	2,810	1,092	11,879	15,781	1,561	17,342	27,907
Telephone	2,489	2,318	17,150	21,957	2,246	24,203	19,391
Conference/Seminars	340		2,822	3,162	3,441	6,603	7,035
Office supplies & expenses	1,119	675	27,846	29,640	3,009	32,649	21,299
Office/Space rental	10,306	5,624	49,157	65,087	6,934	72,021	71,597
Client direct relief	0		200	200		200	9,194
Printing/Publications	211	361	2,885	3,457	460	3,917	3,172
Maintenance & repairs	567	369	15,137	16,073	1,590	17,663	9,480
Utilities	2,806	4,600	8,489	15,895	1,572	17,467	15,448
Insurance		3,509		3,509	347	3,856	1,952
Special services	468	3,085	12,928	16,481	418	16,899	6,659
Interest				0	9,668	9,668	7,708
Miscellaneous	<u>97</u>	<u>611</u>	<u>490</u>	<u>1,198</u>	<u>224</u>	<u>1,422</u>	<u>1,748</u>
Total before depreciation	<u>422,079</u>	<u>310,641</u>	<u>1,065,721</u>	<u>1,798,441</u>	<u>171,847</u>	<u>1,970,288</u>	<u>1,896,481</u>
Depreciation	2,265	1,834	5,609	9,708	1,078	10,786	20,403
Total Expenses	<u>424,344</u>	<u>312,475</u>	<u>1,071,330</u>	<u>1,808,149</u>	<u>172,925</u>	<u>1,981,074</u>	<u>1,916,884</u>

**RICHMOND-PERRINE OPTIMIST
CLUB, INC. OF MIAMI, FLORIDA**
STATEMENT OF CASH FLOWS
For The Year Ended June 30, 2008
With comparative totals for year 2007

CASH FLOWS FROM OPERATING ACTIVITIES

	<u>2008</u>	<u>2007</u>
Changes in net assets	\$ (434,298)	\$ 7,382
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,786	20,403
Decrease in grants receivable	884,542	699,913
Decrease in other assets	0	144
Increase in accounts payable	54,142	84,938
Increase in accrued payroll	71,551	7,365
(Decrease)/Increase in lease payable	(5,238)	4,193
Increase (Decrease) in Due to grantor	0	0
(Decrease)/Increase in Retainage	<u>(13,655)</u>	<u>74,582</u>
Total Adjustments	1,002,128	894,506
Net Cash provided by operating activities	<u>567,830</u>	<u>901,888</u>
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Capital lease equipment	0	(36,000)
Construction in progress	<u>(513,414)</u>	<u>(824,151)</u>
Net Cash used in investing activities	<u>(513,414)</u>	<u>(860,151)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash (Used)/Provided by financing activities	<u>0</u>	<u>0</u>
Net Increase in cash	54,416	41,737
Cash balance beginning of year	<u>249,743</u>	<u>208,006</u>
Cash balance end of year	<u>\$304,159</u>	<u>\$249,743</u>

See accompanying notes to financial statements

**RICHMOND-PERRINE OPTIMIST
CLUB, INC. OF MIAMI, FLORIDA**
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – Richmond-Perrine Optimist Club, Inc. of Miami, Florida (the Organization), a corporation not-for-profit, was incorporated on January 23, 1986 by the Optimist Club of Richmond-Perrine, Florida, Inc. (The Optimist Club). The Organization sole purpose is to further certain charitable and educational purposes of the Optimist Club including crime and drug prevention; counseling; employability and educational trainings. The Board of Directors of the Optimist Club also serves as the Board of Directors of the Organization. The current list of Board of Directors are: Charles W. Bethel Jr. -President; James H. Williams- 1st Vice President; Dr. George Battle- 2nd Vice President; Ronald E. Tookes-Secretary; Karen Harris-Treasurer; Silas Ashley-Board Member; Col. Eddie Alford-Board Member; Leonardo Stringer-Board Member; Joyce Brumby-Board Member; Omar Hassan-Board Member; Dr. Donald Hollis- Board Member; Daisy Gardner Lester- Board Member and Versa Lee Sumler-Board member. The main office of the Organization is located at 9955 West Indigo Street, Miami, Florida. The significant accounting policies followed are described to enhance the usefulness of the financial statements to the reader.

Grants – Grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in 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.

Grants and donors restricted contributions are reported as unrestricted support if the grant objectives or donor restrictions are met in the same reporting period.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts and certificates of deposit with maturities less than 90 days. At year-end and throughout the year, the Organization's cash balances were deposited in two banks. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents.

Accrual Basis

The financial statements of Foundation have been prepared on the accrual basis of accounting.

Income Taxes

Richmond-Perrine Optimist Club Inc. of Miami, Florida is exempt from Federal Income taxes under Section 501(c) (3) of the Internal Revenue Code.

Donated Services

No amount has been reflected in the statements for donated services in as much as no objective basis is available to measure the value of such services.

Functional Allocation of Expenses

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

NOTES TO FINANCIAL STATEMENTS CONTINUED

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fixed Assets

Fixed Assets are recorded at cost, or at estimated market value at the date of the gift, if donated. The organization follows the practice of capitalizing all expenditures of and over \$1,000 for equipment with an estimated useful life of three or more years. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

2. SUPPORT – UNRESTRICTED

The funding for the Organization's programs are provided by the following sources:

Training Programs

Work Experience (W/E)

Funded by Miami-Dade County -Department of Human Services.

Summer Camp Reading (SCR)

After School House (ASH)

Parent Support (PP)

Funded by The Children's Trust

Summer Youth Employment (SYEP)

Funded by United Way of Miami-Dade County and Miami-Dade County Department of Human Services.

Youth Services (Crimes/Drugs Prevention & Youth development) Programs

Modello South Dade Neighborhood Empowerment Program (MSDNEP)

After-School Care (ASCP)

Parenting & Preservation (PPP)

Community Suspension Program (CSP)

Crime Prevention Program (PCPP/GYDP)

Funded by Miami-Dade County Department of Human Services.

Naranja Youth Enterprise South (NYES)

Funded by United Way of Miami-Dade County

Educational ProgramsRichmond Perrine Optimist Academy (RPOA)

Richmond Perrine Optimist Club, Inc operates Richmond –Perrine Optimist Academy, a Miami-Dade County Public School Board Outreach Program. The school is currently located at 9955 W. Indigo Street, Miami, Florida, in the Perrine area. The center director is Mr. Lance Williams who sees the day to day running of the school. The Board of Directors of the Organization is also the Board of Directors of the school. The Board of Directors is listed in paragraph 1 of the notes. The Organization educational program is funded by Miami-Dade County School Board (DCSB).

3. FIXED ASSETS

Furniture, fixtures and equipments at June 30, 2008 and 2007 are summarized as follows:

	<u>2008</u>	<u>2007</u>
Furniture & Equipments	36,677	\$19,055
Leased Equipments	38,000	53,622
Accumulated Depreciation	<u>(44,277)</u>	<u>(33,491)</u>
	<u>\$30,400</u>	<u>\$39,186</u>

On June 2007, the agency replaced old leased copier machines with a new copier machines under a new lease agreement. Also, completely depreciated lease equipment were transferred to Furniture & Equipments.

4. CONSTRUCTION IN PROGRESS

The management expended \$4,113,782 towards the building of Youth Activity Center. The building is located on 18055 Homestead Avenue in Perrine, Florida. The center is near completion and the agency plans to move its office and the school to the new center when completed. The total cost of completion and the date of completion cannot be determined at this time.

5. BANK LOAN PAYABLE

On May 27, 2008, Richmond Perrine Optimist Club, Inc. renewed an existing \$50,000 line of credit with Total Bank to be drawn upon as needed through March 25, 2009, with an interest rate of 2% above prime. This note was earlier renewed on March 25, 2008 to the maturity date of May 27, 2008. The loan is secured by corporate assets. As of June 30, 2008, \$43,631.50 of the line of credit had been drawn down and outstanding.

6. RESTRICTION ON NET ASSETS

Temporarily restricted net assets are available for the following purpose or periods:

Periods after June 30, 2008 for programs activities:	\$ 281,467
Youth Activity Center construction	<u>237,084</u>
	<u>\$ 518,551</u>

7. RECAPTURE OF CDBG FUND

Miami-Dade County office of Community and Economic Development – OCED Recaptured a construction amount of \$860,000 originally awarded to the agency for the Youth Center Activity building. This award was recorded as restricted fund by agency. This recapture of fund caused the net asset to be decreased.

8. COMMITMENTS AND CONTINGENCIES**Lease**

The Organization has a six months lease renewal agreement on the main office facility that expires on December 31, 2008. The main office rent expense for fiscal year ended June 30, 2008 was \$45,600. The Organization also has leases on various office spaces in various locations for the purpose of providing family preservation, support, youth's services and other service programs close to the communities.

The Organization is leasing some copier equipments. These leases are classified as a capital lease obligations and the assets are included in the leased assets in the financial statements. All leases expire on or before 2012. The following is a schedule by years of future minimum lease payments under capital lease as of June 30, 2008:

Year ending June 30:

2009	8,839
2010	8,236
2011	7,633
2012	<u>6,054</u>
Total minimum lease payment	<u>30,762</u>

State and Federal Grants

The costs and unexpended funds reflected in the accompanying financial statements relating to government funding are subject to audit by the respective grantors. The possible disallowance by the funding source of any time charged to the program or request for return of any unexpended funds cannot be determined at this time. No provision, for any liability that may result, has been made in the financial statements.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITORS’
REPORT ON SUPPLEMENTARY INFORMATION**

To the Board of Directors
Richmond-Perrine Optimist Club, Inc.
Miami, Florida

We have audited the financial statements of Richmond-Perrine Optimist Club, Inc. (a nonprofit organization) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 29, 2008. These financial statements are the responsibility of the organization’s management. 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 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

Our audit was made for the purpose of forming an opinion on the basic financial statements of Richmond-Perrine Optimist Club, Inc. taken as a whole. The accompanying Schedules of Expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Financial Assistance is presented for purposes of additional analysis as requires by Chapter 10.650, Rules of the Auditor General of the State of Florida, and is not a required part of the basic financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Miami, Florida
December 29, 2008

Nzeribe & Company, PA

RICHMOND-PERRINE OPTIMIST
CLUB, INC. OF MIAMI, FLORIDA
Supplemental Schedule of Financial Awards
For The Year Ended June 30, 2008

	CFDA No. <u>Grant No.</u>	<u>From</u>	<u>To</u>	Award/ Contract <u>Amount</u>	<u>Expenditure</u>
Miami-Dade County					
Department of Human Services		10/30/07	9/30/08	537,069	392,308
	SYE0708-04	4/30/07	9/30/08	253,523	179,490
Miami-Dade County Public School	N/A	7/1/07	6/30/08	598,128	351,909
United Way of Miami-Dade County	N/A	7/1/07	6/30/08	121,785	121,785
The Children's Trust	810-130	6/1/08	7/31/08	181,000	171,132
	710-130	6/1/07	5/31/08	707,618	453,077
	722-130	8/1/07	7/31/08	429,619	356,874
TOTAL FINANCIAL AWARD				<u>\$2,828,742</u>	<u>\$2,026,575</u>

RICHMOND-PERRINE OPTIMIST CLUB, INC. OF MIAMI, FLORIDA
SCHEDULE OF CONSTRUCTION GRANT ASSISTANCE
For the Year Ended June 30, 2008

<u>Providers</u>	<u>Grant #</u>	<u>Award</u>	<u>Years To Date Expended</u>
State of Florida- Dept of Comm. Affairs	95E0-3M-11-23- 08-069	990,000	990,000
State of Florida- Dept of Children & Family (former Dept of Health & Rehab. Services)	KEC48	150,000	150,000
State of Florida- Dept of Comm. Affairs	96EM-2U-11-23 0-143	104,764	104,764
We Will Rebuild Foundation	n/a	500,000	500,000
Miami-Dade County- Office of safe Neighborhood Parks	C 98-15	866,158 108,094	866,158 108,094
Miami-Dade County- Park and Recreation Department		1,500,000	1,187,337
Total		<u>4,219,016</u>	<u>3,906,353</u>

RICHMOND-PERRINE OPTIMIST CLUB, INC.**SCHEDULE OF EXPENSES****For the Years Ended June 30, 2008**

With comparative totals for the year 2007

	<u>2008</u>	<u>2007</u>
EXPENSES		
Salaries	1,292,529	1,289,211
Fringe benefits	145,418	149,503
Stipends & fringes	206,139	155,430
Transportation	20,685	20,833
Equipment Rental	2,560	9,236
Field trip admission	47,974	43,850
Operating/Program supplies	31,073	25,829
Professional fees	17,342	27,907
Telephone	24,203	19,491
Conference/Seminars	6,603	7,035
Office supplies	32,649	21,299
Office/Space rental	72,021	71,597
Client Direct relief	200	9,194
Printing/Publications	3,917	3,172
Maintenance & Repair	17,663	9,480
Utilities	17,467	15,488
Insurance	3,856	1,952
Special services	16,899	6,659
Interest	9,668	7,708
Depreciation	10,786	20,403
Miscellaneous	1,422	1,748
Total Expenses	<u>\$ 1,981,074</u>	<u>\$ 1,916,884</u>

BASIS OF ALL SCHEDULES PRESENTATION

The accompanying Schedule of Expenditures of Financial Assistance of Richmond-Perrine Optimist Club, Inc. are presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of Chapter 10.650, rules of the Auditor General of the State of Florida. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of the basic financial statements.

**REPORTS REQUIRED UNDER
GOVERNMENT AUDITING STANDARDS AND
CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To The Board of Directors
Richmond-Perrine Optimist Club, Inc.
Miami, Florida.

We have audited the financial statements of Richmond-Perrine Optimist Club, Inc. of Miami, Florida (a non-profit organization) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 29, 2008. 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.

Compliance

As part of obtaining reasonable assurance about whether Richmond-Perrine Optimist Club, Inc. of Miami, Florida financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under Government Auditing Standards. We also noted certain immaterial instances of noncompliance, which we have reported to management of Richmond-Perrine Optimist Club, Inc. of Miami, Florida in accompanying management letter dated December 29, 2008.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Richmond-Perrine Optimist Club, Inc. of Miami, Florida internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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 weakness. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weakness.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Miami, Florida
December 29, 2008

Nzeribe & Company, PA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR STATE FINANCIAL ASSISTANCE PROJECT

To the Board of Directors
Richmond-Perrine Optimist Club, Inc.
Miami, Florida

Compliance

We have audited the compliance of Richmond –Perrine Optimist Club, Inc. with the types of compliance requirements described in the Executive Office of the Governor's State Projects Compliance Supplement that are applicable to each of its major state financial assistance project for the year ended June 30, 2008. Richmond-Perrine Optimist Club, Inc.'s major state financial assistance projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major state financial assistance projects is the responsibility of Richmond-Perrine Optimist Club, Inc.'s management. Our responsibility is to express an opinion on Richmond-Perrine Optimist Club, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Chapter 10.650, Rules of the Auditor General of the State of Florida. Those standards and Chapter 10.650, Rules of the Auditor General of the State of Florida, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state financial assistance project occurred. An audit includes examining, on a test basis, evidence about Richmond-Perrine Optimist Club, Inc.'s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Richmond-Perrine Optimist Club, Inc.'s compliance with those requirements.

In our opinion, Richmond-Perrine Optimist Club, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major state financial assistance projects for the year ended June 30, 2008. However, we noted immaterial instances of noncompliance that we have reported to management of Richmond-Perrine Optimist Club, Inc. in the accompanying management Letter dated December 29, 2008.

Internal Control Over Compliance

The management of Richmond-Perrine Optimist Club, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state financial assistance projects. In planning and performing our audit, we considered Richmond-Perrine Optimist Club, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a state financial assistance project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General of the State of Florida.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major state financial assistance project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management in the accompanying management letter dated December 29, 2008

This report is intended solely for the information and use of the Board of Directors and management of Richmond-Perrine Optimist Club, Inc., and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Miami, Florida
December 29, 2008

Nzeribe & Company, PA

**INDEPENDENT AUDITORS' REPORT ON EXAMINATION OF MANAGEMENT'S
ASSERTION ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS**

To The Board of Directors
Richmond-Perrine Optimist
Club, Inc. of Miami, Florida

We have examined management's assertion about Richmond-Perrine Optimist Club, Inc. of Miami, Florida's compliance with the allowable cost, matching and eligibility requirements established in the grant agreements applicable to the state grants and aids appropriations identified on the schedule of state financial assistance for the year ended June 30, 2008, included in the accompanying financial statements. Management is responsible for Richmond-Perrine Optimist Club, Inc. of Miami, Florida's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about Richmond-Perrine Optimist Club, Inc. of Miami, Florida's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Richmond-Perrine Optimist Club, Inc. of Miami, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Richmond-Perrine Optimist Club, Inc. of Miami, Florida's compliance with specified requirements.

In our opinion, management's assertion that Richmond-Perrine Optimist Club, Inc. of Miami, Florida has complied with the aforementioned requirements during the year ended June 30, 2008 is fairly stated, in all material respects.

This report is intended for the information of the Board of Directors, management, state, awarding agencies and pass-through entities. However, this report is a matter of public record, and its distribution is not limited.

Miami, Florida
December 29, 2008

Nzeribe & Company, PA.

MANAGEMENT LETTER

To The Board of Directors
Richmond-Perrine Optimist Club, Inc
Miami, Florida.

We have audited the financial statements of Richmond-Perrine Optimist Club, Inc. of Miami, Florida as of and for the year ended June 30, 2008, and have issued our reported thereon dated December 29, 2008.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Compliance and Internal Control over Financial Reporting, Independent Auditor's Report on Compliance and Internal Control over Compliance Applicable to Each State Financial Assistance Project, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated December 29, 2008, should be considered in conjunction with this Management Letter. Additionally, our audit was conducted in accordance with Chapter 10.650, Rules of the Auditor General of the State of Florida.

The Rules of Auditor General of the State of Florida Section 10.654(1)(d) require disclosure in the Management Letter of the following matters if not already addressed in the auditor's reports on compliance and internal controls or schedule of findings and questioned costs: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditors. Our audit disclosed the following matters to be disclosed in the following pages.

We wish to thank the management staff for their support and assistance during our audit.

Miami, Florida
December 29, 2008

Nzeribe & Company, PA

CURRENT YEAR COMMENTS AND RECOMMENDATIONS

Compliance

1. Submission of Annual Financial Audit.

The agency is required by the Miami-Dade County School Board and Miami-Dade County Park and Recreation Department to provide a copy of its financial audit within ninety (90) calendar days following the end of its fiscal year. The agency is not in compliance with this requirement.

Recommendation

The agency must prepare to comply with this requirement.

Management Response

The agency agrees with this finding and will work over the next fiscal year to make sure that we are in compliance. It should be noted that a major part of the reason for the delay in having our audit completed, was due to the fact that our agency Accountant was dealing with a prolonged family illness. This illness led to the passing of his wife and created an upheaval in his life that delayed the preparation of the materials necessary to have the audit completed within the 90 day requirement. These circumstances were brought to the attention of the Miami-Dade County School Board and Miami-Dade County via written correspondence. It should also be noted that all of our other funding sources allow for 180 days to complete an agency wide audit.

Irregardless, we will work hard over the next year to have our audit completed within the 90 day timeframe and therefore come into compliance.

2. Case Management

During our testing of the agency programs, we noted that in the Crime Prevention Program, there was no log kept for participants to sign during counseling sessions. The program counselor notation that counselling session were held were not supported by participant sign in sheet. Also, in the After School Care Program, we noted few case records that individual did not sign in a particular days and the case counselor indicated in the case record that counseling session were held.

Recommendation

A sign in sheet for the participant should be kept in all counseling sessions as a proof that they were held. Also a chronological record of counseling sessions should be supported by sign in sheets.

Management Response

The agency agrees with these findings, and will continue to emphasize that sign in sheets should be kept as proof that counseling sessions were held, and that the chronological records that document when counseling sessions are held, should be supported by sign in sheets. As a result of this finding, the Executive Director convened a meeting with his Deputy Director and Social Services Director to go over the finding and to reemphasize that this information must be in place. During this meeting, the agency administrators did not feel that the counseling sessions were not being conducted. As a matter of fact, the Crime Prevention Program operates out of our main office and the participants are seen by administrators on a regular basis, participating in the various activities. Further, the sessions were documented in the chronological records of the participants, even though the sign in logs were inadequate in some cases.

Irregardless, we will work hard over the next year to ensure that this documentation is in place.

PRIOR YEAR COMMENTS AND STATUS UPDATE

Compliance

Case record maintenance.

We noted during our of crime prevention program funded by the Office of Community and Economic Development that some of the individual files have no chronological activities regarding counseling sessions, home visits and other services provided to the youth.

Recommendation

The agency must document all services provided to youths as soon as the services are provided omission.

Management Response

The agency acknowledges that there was a deficiency in the documentation of some individual case files on the part of one of its' Counselors. The agency Counselor will correct all deficiencies by updating the files in questions with the proper documentation by December 10, 2007. In addition to this, the Executive Director has issued a memo to the appropriate staff to identify this shortfall and clearly spell out the expectation that files documentation be better supervised in the future.

Status Update

Agency is now in compliance

Board minutes

The agency bylaws require that the minutes of the meeting be signed at the end of each meeting. The meeting held in March 2007 was not signed.

Recommendation

All minutes must be signed and filed in the corporate minute book.

Management Response

The agency brought the March 2007 minutes to the attention of the Board Secretary, who signed them and thus brought them into compliance. The Board will be more cognizant of this issue in the future.

Status Update

Agency is now in compliance

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

Section 1 – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:

UNQUALIFIED

Internal control over financial reporting:

Material weakness (es) identified:

_____ yes X no

Reportable condition (s) identified

Not considered to be material weakness?

_____ yes X no

Noncompliance material to financial statements
Noted?

_____ yes X no

Federal Awards

Internal Control over major programs:

Material weakness (es) identified?

_____ yes X no

Reportable condition (s) identified

Not considered to be material weakness?

_____ yes X no

Type of auditors' report issued on compliance
For major programs:

UNQUALIFIED

Any audit findings disclosed that are required to be
Reported in accordance with circular
A-133, Section 5.10(a)?

_____ yes X no

Identification of Major programs:

Name of Federal Program or Cluster

Youth Training

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

\$500,000

Auditee qualified as low-risk auditee?

 X yes _____ no

Section 11 – FINANCIAL STATEMENT FINDINGS

NO MATTERS WERE REPORTED

Section 111 – FEDERAL AWARDS FINDING AND QUESTIONED COSTS

NO MATTER WERE REPORTED