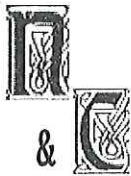


**RICHMOND-PERRINE OPTIMIST CLUB, INC.  
OF  
MIAMI, FLORIDA  
INDEPENDENT AUDITORS'  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
For the year ended June 30, 2015**

**RICHMOND-PERRINE OPTIMIST CLUB, INC.  
OF  
MIAMI, FLORIDA  
INDEPENDENT AUDITORS'  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
For the year ended June 30, 2015**

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## INDEPENDENT AUDITOR'S REPORT

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

### *Report on the Financial Statements*

We have audited the accompanying financial statements of The Richmond-Perrine Optimist Club, Inc. of Miami, Florida, (a nonprofit organization), which comprise the statements of financial position as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### *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, 2015 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.

***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated October 15, 2015, on our consideration of The Richmond-Perrine Optimist Club, Inc. of Miami, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering The Richmond-Perrine Optimist Club, Inc. of Miami, Florida's internal control over financial reporting and compliance.

***Report on Summarized Comparative Information***

We have previously audited The Richmond-Perrine Optimist Club, Inc. of Miami, Florida's 2014 financial statements, and our report dated September 22, 2014 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Miami, Florida  
October 15, 2015

*Nzeribe & Company, PA*

Nzeribe & Company, P.A.

**RICHMOND-PERRINE OPTIMIST  
CLUB, INC. OF MIAMI, FLORIDA**  
**STATEMENT OF FINANCIAL POSITION**  
**For the year ended June 30, 2015**  
 With comparative totals for year 2014

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 241,655	\$ 213,026
Due from grantors	165,544	163,744
Other assets	<u>1,200</u>	<u>14,419</u>
Current Assets	408,399	391,189
Non-current Assets:	0	0
<b>TOTAL ASSETS</b>	<u>\$ 408,399</u>	<u>\$ 391,189</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	26,845	34,509
Accrued payroll	41,777	26,093
Loan Payable	<u>71,430</u>	<u>71,430</u>
Current Liabilities	140,052	132,032
Non-current Liabilities:	0	0
<b>TOTAL LIABILITIES</b>	<u>140,052</u>	<u>132,032</u>
<b>NET ASSET</b>		
Unrestricted	191,679	162,598
Temporarily Restricted	<u>76,668</u>	<u>96,559</u>
<b>TOTAL NET ASSETS</b>	<u>268,347</u>	<u>259,157</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 408,399</u>	<u>\$ 391,189</u>

*See accompanying notes to financial statements*

**RICHMOND-PERRINE OPTIMIST  
CLUB, INC. OF MIAMI, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**For The Year Ended June 30, 2015**  
 With comparative totals for year 2014

UNRESTRICTED NET ASSETS	<u>2015</u>	<u>2014</u>
<b>Support:</b>		
Miami Dade County-Office of Management & Budget- Grants Coordination	\$ 249,029	\$ 262,429
Miami-Dade County School Board	338,067	332,337
The Children's Trust	708,797	710,168
United Way of Miami Dade	88,094	88,094
Contributions	<u>1,742</u>	<u>4,221</u>
 Total Unrestricted Revenue	 1,385,729	 1,397,249
 Net Asset Release from restriction	 <u>19,891</u>	 <u>55,490</u>
 Total Support	 <u>1,405,620</u>	 <u>1,452,739</u>
 <b>EXPENSES:</b>		
<b>Program Services:</b>		
Training	53,841	54,980
Education	294,444	269,020
Youth Service (including crime/drug prevention)	<u>914,482</u>	<u>926,404</u>
	1,262,767	1,250,404
<b>Supporting Services:</b>		
General & Administrative	113,772	115,736
 Total Expenses	 <u>1,376,539</u>	 <u>1,366,140</u>
 Increase in Unrestricted Net Assets	 29,081	 86,599
 <b>TEMPORARY RESTRICTED NET ASSETS:</b>		
Net Asset release from restriction	<u>(19,891)</u>	<u>(55,490)</u>
 (Decrease) in Temporarily Restricted Net Assets	 (19,891)	 (55,490)
 Increase in Net assets:	 9,190	 31,109
Net assets at beginning of year:	259,157	228,048
Net assets at end of year:	<u>\$ 268,347</u>	<u>\$ 259,157</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, 2015  
 with comparative totals for 2014

	PROGRAM SERVICES			TOTAL	SUPPORT SERVICES	2015 TOTAL	2014 TOTAL
	TRAINING	EDUCATION	YOUTH SERVICES		GENERAL ADMIN		
Salaries	10,539	213,321	628,535	852,395	84,357	936,752	894,045
Fringe benefits	<u>1,195</u>	<u>28,757</u>	<u>78,002</u>	<u>107,954</u>	<u>10,677</u>	<u>118,631</u>	<u>118,301</u>
Total	11,734	242,078	706,538	960,349	95,034	1,055,383	1,012,346
Participants' wages stipends & fringes	39,107		23,987	63,094		63,094	65,758
Transportation		241	20,770	21,011	24	21,035	11,125
Equipment rentals		3,874	7,991	11,865	1,173	13,038	12,817
Field trip admissions		1,497	42,287	43,784		43,784	40,469
Program/Operating supplies		2,769	44,687	47,456	1,221	48,677	46,606
Professional fees	471	3,458	16,384	20,313	2,009	22,322	48,540
Telephone		7,402	15,198	22,600	2,235	24,835	23,509
Conference/Seminars			1,321	1,321	131	1,452	1,700
Office supplies & expenses		1,595	9,411	11,006	1,089	12,095	26,206
Office/Space rental		1	3,393	3,393	336	3,729	4,125
Printing/Publications		1,833	970	2,803	277	3,080	4,616
Maintenance & repairs		238	3,508	8,781		13,766	16,270
Utilities		22,326	8,724	29,050	2,876	31,926	36,373
Insurance		1,132	373	1,505	149	1,654	2,093
Special services	2,290	4,731	2,562	9,583	2,407	11,990	10,216
Interest				0	3,211	3,211	2,419
Miscellaneous	<u>0</u>	<u>0</u>	<u>1,105</u>	<u>1,105</u>	<u>363</u>	<u>1,468</u>	<u>953</u>
Total Expenses	<u>53,841</u>	<u>294,444</u>	<u>914,482</u>	<u>1,262,767</u>	<u>113,772</u>	<u>1,376,539</u>	<u>1,366,140</u>

*See accompanying notes to financial statements*



**RICHMOND-PERRINE OPTIMIST  
CLUB, INC. OF MIAMI, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**For The Year Ended June 30, 2015**  
 With comparative totals for year 2014

CASH FLOWS FROM OPERATING ACTIVITIES

	<u>2015</u>	<u>2014</u>
Changes in net assets	\$ 9,190	\$ 31,109
Adjustment to reconcile change ... in net assets to net cash provided by operating activities:		
(Increase)/Decrease in grants receivable	(1,800)	(23,016)
Decrease/(Increase) in other assets	13,219	(4,158)
(Decrease)/Increase in accounts payable	(7,664)	17,065
Increase/(Decrease) in accrued payroll	<u>15,684</u>	<u>(3,054)</u>
Total Adjustments	19,439	(13,163)
<b>Net Cash (used) provided by operating activities</b>	<u>28,629</u>	<u>17,946</u>
CASH FLOWS USED IN INVESTING ACTIVITIES:	0	0
<b>Net Cash used in investing activities</b>	<u>0</u>	<u>0</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loan	0	(252)
<b>Net Cash used in financing activities</b>	<u>0</u>	<u>(252)</u>
<b>Net (Decrease)/Increase in cash</b>	28,629	17,694
<b>Cash balance beginning of year</b>	213,026	195,332
<b>Cash balance end of year</b>	<u>\$ 241,655</u>	<u>\$ 213,026</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, 2015

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**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 is:

Charles W. Bethel Jr. -President; Dr. Sammie Burley- 1<sup>st</sup> Vice President; Benecia Townsend- 2<sup>nd</sup> Vice President; Ronald E. Tookes-Secretary; Joyce Brumby-Treasurer; Daisy Gardner-Lester –Past President; Dr. George Battle-Board Member; Lashawn Fann -Board Member; Omar Hassan-Board Member; Dr. Donald Hollis- Board Member; David Watson- Board Member; Leonardo Stringer -Board Member and Phillip Hardeman-Board Member. The main office of the Organization is located at 18055 Homestead Avenue, 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.

Credit Risk

Financial instruments which potentially subject the organization to credit risk consist of cash and cash equivalents and grant receivable. The organization’s deposits did not exceed the federal depository insurance limits as of June 30, 2015. Management does not believe it is exposed to any significant credit risk at this time.

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. Management is not aware of any activities that would jeopardize the agency’s tax exempt status. Tax years from 2012 to the present remain subject to examination by the taxing authorities.

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.

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.

Comparative Financial Information

The financial statements include certain prior year summarized comparative totals as of and for the year ended June 30, 2014. 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 financial statements for the year ended June 30, 2014, from which the summarized information was derived.

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 fundings for the Organization’s programs are provided by the following sources:

**Training Programs**

Work Experience (W/E)

Funded by Miami-Dade County –Office of Management and Budget Grant Coordination.

Parent Support (PSP)

Funded by The Children’s Trust

Summer Youth Employment (SYEP)

Funded by United Way of Miami-Dade County.

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

After School House (ASH)

Funded by The Children’s Trust

Modello South Dade Neighborhood Empowerment Program (MSDNEP)

Community Suspension Program (CSP)

Crime Prevention Program (PCPP/GYDP)

Funded by Miami-Dade County Office of Management and Budget Grant Coordination.

Naranja Youth Enterprise South (NYES)

Funded by United Way of Miami-Dade.

**Educational Programs**

Richmond 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 18055 Homestead Avenue, Miami, Florida, in the Perrine area. The center director is Mr. Lance Williams who oversees 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’s educational program is funded by Miami-Dade County School Board (DCSB).

**3. FIXED ASSETS**

Furniture, fixtures and equipments at June 30, 2015 and 2014 are summarized as follows:

	<u>2015</u>	<u>2014</u>
Furniture & Equipments	36,677	36,677
Accumulated Depreciation	<u>(36,677)</u>	<u>(36,677)</u>
	<u>\$ 0</u>	<u>\$0</u>

**4. LOAN PAYABLE**

Loan includes a bank loan of \$43,632. On November 26, 2014, Richmond Perrine Optimist Club, Inc. renewed an existing \$50,000 line of credit with Total Bank to be drawn upon as needed through November 26, 2017, with an interest rate of 2% above prime. The loan is secured by corporate assets. As of June 30, 2015, \$43,631.50 of the line of credit had been drawn down and outstanding.

Also included in the loan are a series of loans made to the agency by the corporate officer of the agency. These loans were made with no stated interest rate on the promissory notes. This loan is repayable in partials or in full based upon the availability of funds.

**5. RESTRICTION ON NET ASSETS**

Temporarily restricted net assets are available for the following purpose

Periods after June 30, 2015 for programs activities: \$ 76,668

**6. RELATED PARTY TRANSACTION**

The director of the agency made loans to the agency for its operations. This loan is evidenced by promissory notes. The agency will repay partial or in full upon availability of funds with no interest and no penalty.

**7. COMMITMENTS AND CONTINGENCIES**

**Lease**

The agency is operating on a thirty (30) years lease on county property. The agency 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 agency is leasing some copier equipments. This lease is classified as operating lease obligations as it does not meet the criteria for capital lease obligation. The lease expired on 2017. The future minimum lease payments under the lease at June 30, 2015 are as follows:

Year	Amount
June 30, 2016	8,438
June 30, 2017	<u>2,846</u>
	\$11,284



**Local Grants**

The costs and unexpended funds reflected in the accompanying financial statements relating to local and 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.

**8. SUBSEQUENT EVENTS**

Subsequent events were evaluated through October 15, 2015, which is the date the financial statements were available to be issued.



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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**

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

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 Richmond-Perrine Optimist Club, Inc. of Miami, Florida (a non-profit organization) which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended,, and the related notes to the financial statements, and have issued our report thereon dated October 15, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Richmond-Perrine Optimist Club, Inc. of Miami, Florida internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose expressing an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weaknesses, yet important enough to merit attention by those charges 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exit that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Richmond-Perrine Optimist Club, Inc. of Miami, Florida 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 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as item #2015-01 and #2015-002.

Richmond-Perrine Optimist Club, Inc. of Miami, Florida

Richmond-Perrine Optimist Club, Inc. of Miami, Florida's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Richmond-Perrine Optimist Club, Inc. of Miami, Florida's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

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 organization's internal control or on compliance. This report is integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Miami, Florida  
October 15, 2015

*Nzeribe & Company, PA*

Nzeribe & Company, PA





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**INDEPENDENT AUDITORS' REPORT ON COMMUNICATION WITH THOSE CHARGED WITH  
GOVERNANCE UNDER SAS No. 114**

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

We have audited the financial statements of Richmond-Perrine Optimist Club, Inc. of Miami, Florida for the year ended June 30, 2015, and we have issued our report thereon dated October 15, 2015. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated July 10, 2013, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all materials respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of Richmond-Perrine Optimist Club, Inc. of Miami, Florida. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Richmond-Perrine Optimist Club, Inc. of Miami, Florida's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on August 19, 2015.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Richmond-Perrine Optimist Club, Inc. of Miami, Florida are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2015. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the



possibility that future events affecting them may differ significantly from those expected. There was no significant most sensitive estimate affecting the financial statements during the period.

The disclosure in the financial statements is neutral, consistent, and clear. There are no significant disclosures that warrant communication to those charged with governance.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 15, 2015.

*Management Consultations with Our Independent Accountants*

In some cases, management may decide to consult with others accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

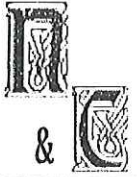
This information is intended solely for the use of Board of Directors and management of Richmond-Perrine Optimist Club, Inc. of Miami, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Miami, Florida  
October 15, 2015

*Nzeribe & Company, PA*

Nzeribe & Company, PA.



**NZERIBE & COMPANY, P.A.**

*Certified Public Accountants*

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## MANAGEMENT LETTER

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

In planning and performing our audit of the financial statements of Richmond-Perrine Optimist Club, Inc. of Miami, Florida (Organization) as of and for year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiencies in Richmond-Perrine Optimist Club, Inc. of Miami, Florida's internal control presented in the schedule of findings and questioned cost to this letter to be significant deficiencies.

This communication is intended solely for the information and use of Board of Directors, management, and others within the Organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Miami, Florida  
October 15, 2015

*Nzeribe & Company, PA*

Nzeribe & Company, PA

RICHMOND-PERRINE OPTIMIST CLUB, INC. OF MIAMI, FLORIDA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015

Section II – Financial Statement Findings

MATERIAL NONCOMPLIANCES

**Finding: #2015-001**

Criteria: The agency contract with Miami-Dade County Public Schools requires the agency to provide its audited annual financial reports to Miami-Dade County Public Schools within ninety (90) days after its fiscal year.

Condition: The agency did not comply with this grant provision within the time allowed.

Effect: The agency was in violation of this requirement which could result in certain penalties.

Cause: The person responsible for the preparation of the financial statements was not able to meet the deadline due to some work overload and unexpected health issues that came on this year.

Recommendation: The agency should implement a procedure of time in starting the preparation of the statement for audit. When such workload is expected, earlier preparation is recommended.

**Management Responses:**

*The agency agrees with this finding and attempted to take the appropriate steps to request an extension due to unforeseen circumstances. On September 15, 2015, the agency prepared a letter addressed to Dr. Theron Clark, Principal of the Miami-Dade Public Schools Outreach Program, requesting an extension due to the fact that the agency's Assistant Director/Accountant, was having significant health issues. These health issues caused a delay in the agency's preparation for the annual audit. As we pointed out in the letter to Dr. Clark, this was the first time that our agency was going to be late in completing the required annual audit. As of this response, we have not heard back from the school system approving or disapproving our request for an extension, however, the agency's audit has been completed and is being submitted at this time.*

*In the future, to the extent that we can, we will attempt to be better prepared to complete the audit on time, notwithstanding unexpected circumstances like the one we experienced this year due to the health of the agency's accountant.*

**Finding: #2015-002**

Criteria: The agency contract with Miami-Dade County Work Experience program requires case workers to properly document in the case file the attendance of participants.

Condition: As part of our Work Experience program testing, we could not locate the attendance sheets signed by the participants for the period selected, ensuring their participation in program classes.

Effect: The participants may not have received program services.

Cause: The case worker in this program misplaced the participant sign-in sheets for the period selected.

Recommendation: The agency should implement a procedure for safeguarding these sign-in sheet logs in a locked cabinet.

**Management Responses:**

*The agency agrees with this finding and is disappointed that the Program Counselor's sign in sheets were not available for the period selected. It should be noted that after supervisors reviewed the audit finding, the*



*counselor in question was brought in and a review was conducted on his caseload. The result of that review was that the Counselor located sign in sheets that he did not provide to the Auditor for review. Some of the sign in sheets located by the Counselor were signed off on by the Deputy Director of the agency, who would periodically spend time in the classes, verifying that they were being held. Further, chronological records were maintained in the client's files documenting the client's participation in the classes in question. This is in addition to the sign in sheets. Currently, the procedure is for each applicable staff including the counselor for the work experience program referenced, to maintain a binder where they keep the daily attendance logs or sign in sheets. These binders are kept in the counselor's offices which are locked, and a copy is supposed to be submitted to the Social Services Director where it is housed in her locked office. This is done so that in the event that something is misplaced, a copy would be available. The procedure of submitting a copy to the Social Services Director was not followed in the case of our work experience program counselor for the period selected. As a result, the agency will discipline the employee as is warranted. Even though the agency has a procedure to safeguard the attendance logs/sign in sheets, because of the audit findings, we are currently reviewing that procedure to see if we need to implement additional measures or if we need to simply enforce our current procedures. We have further counseled the staff in question and will engage him in a retraining session on October 30, 2015.*