

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, 2014



NZERIBE & COMPANY, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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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 statement of financial position as of June 30, 2014, 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. 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, 2014 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2013 financial statements, and our report dated September 19, 2013, 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, 2013, is consistent, in all material respect, with the audited financial statements from which it has been derived.

Miami, Florida
September 22, 2014

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, 2014
With comparative totals for year 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
Current Assets:		
Cash	\$ 213,026	\$ 195,332
Due from grantors	163,744	140,728
Other assets	<u>14,419</u>	<u>10,261</u>
Current Assets	391,189	346,321
Non-current Assets	0	0
TOTAL ASSETS	<u>\$ 391,189</u>	<u>\$ 346,321</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	34,509	17,444
Accrued payroll	26,093	29,147
Loan Payable	<u>71,430</u>	<u>71,682</u>
Current Liabilities	132,032	118,273
Non-current Liabilities:	0	0
TOTAL LIABILITIES	<u>132,032</u>	<u>118,273</u>
NET ASSEST		
Unrestricted	129,993	43,394
Temporarily Restricted	<u>129,164</u>	<u>184,654</u>
TOTAL NET ASSETS	<u>259,157</u>	<u>228,048</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 391,189</u>	<u>\$ 346,321</u>

See accompanying notes to financial statements

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

**STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2014
With comparative totals for year 2013**

UNRESTRICTED NET ASSETS

	<u>2014</u>	<u>2013</u>
Support:		
Miami Dade County-Office of Management & Budget- Grants Coordination	\$ 262,429	\$ 262,280
Miami-Dade County School Board	332,337	320,741
The Children's Trust	710,168	691,336
United Way of Miami Dade	88,094	88,093
Contributions	<u>4,221</u>	<u>4,207</u>
 Total Unrestricted Revenue	 1,397,249	 1,366,657
 Net Asset Release from restriction	 <u>55,490</u>	 <u>15,025</u>
 Total Support	 <u>1,452,739</u>	 <u>1,381,682</u>
 EXPENSES:		
Program Services:		
Training	54,980	56,177
Education	269,020	284,363
Youth Service (including crime/drug prevention)	<u>926,404</u>	<u>908,361</u>
	1,250,404	1,248,901
 Supporting Services:		
General & Administrative	115,736	113,632
 Total Expenses	 <u>1,366,140</u>	 <u>1,362,533</u>
 Increase in Unrestricted Net Assets	 86,599	 19,149
 TEMPORARY RESTRICTED NET ASSETS:		
 Net Asset release from restriction	 <u>(55,490)</u>	 <u>(15,025)</u>
 (Decrease) in Temporarily Restricted Net Assets	 <u>(55,490)</u>	 <u>(15,025)</u>
 Increase in Net assets:	 31,109	 4,124
 NET ASSET - Beginning of year	 228,048	 223,924
 NET ASSETS -- End of the year:	 <u>\$ 259,157</u>	 <u>\$ 228,048</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, 2014
with comparative totals for 2013

	PROGRAM SERVICES				SUPPORT SERVICES		
	TRAINING	EDUCATION	YOUTH SERVICES	TOTAL	GENERAL ADMIN	2014 TOTAL	2013 TOTAL
Salaries	11,272	179,617	622,692	813,581	80,464	894,045	934,441
Fringe benefits	<u>1,289</u>	<u>23,146</u>	<u>83,219</u>	<u>107,654</u>	<u>10,647</u>	<u>118,301</u>	<u>120,446</u>
Total	12,561	202,763	705,911	921,235	91,111	1,012,346	1,054,887
Participants' wages stipends & fringes	39,212		26,546	65,758		65,758	57,969
Transportation		296	9,895	10,191	935	11,125	19,969
Equipment rentals	35	3,516	8,146	11,697	1,121	12,817	11,884
Field trip admissions		635	39,652	40,287	182	40,469	43,844
Program/Operating supplies		2,240	42,545	44,785	1,821	46,606	47,025
Professional fees	3,173	15,283	25,715	44,171	4,369	48,540	19,039
Telephone		5,736	15,657	21,393	2,116	23,509	23,640
Conference/Seminars			1,547	1,547	153	1,700	0
Office supplies & expenses		4,009	17,553	21,563	4,643	26,206	13,598
Office/Space rental		1	3,753	3,753	371	4,125	1,380
Printing/Publications		340	3,811	4,150	465	4,616	2,620
Maintenance & repairs		4,811	9,994	14,806	1,464	16,270	14,883
Utilities		21,458	11,641	33,099	3,274	36,373	35,982
Insurance		1,194	711	1,905	188	2,093	1,450
Special services		6,737	2,681	9,418	797	10,216	11,184
Interest					2,419	2,419	2,419
Miscellaneous	<u>0</u>	<u>0</u>	<u>645</u>	<u>645</u>	<u>308</u>	<u>953</u>	<u>760</u>
Total Expenses	<u>54,980</u>	<u>269,020</u>	<u>926,404</u>	<u>1,250,404</u>	<u>115,736</u>	<u>1,366,140</u>	<u>1,362,533</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, 2014
With comparative totals for year 2013

CASH FLOWS FROM OPERATING ACTIVITIES

	<u>2014</u>	<u>2013</u>
Changes in net assets	\$ 31,109	\$ 4,124
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
(Increase)/Decrease in grants receivable	(23,016)	47,994
(Increase)/Decrease in other assets	(4,158)	(8,704)
(Decrease)/Increase in accounts payable	17,065	(15,501)
(Decrease)/Increase in accrued payroll	(3,054)	(2,912)
Total Adjustments	(13,163)	20,877
Net Cash provided by operating activities	<u>17,946</u>	<u>25,001</u>
CASH FLOWS USED IN INVESTING ACTIVITIES:	0	0
Net Cash used in investing activities	<u>0</u>	<u>0</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loan	(252)	0
Net Cash used in financing activities	<u>(252)</u>	<u>0</u>
Net Increase in cash	17,694	25,001
Cash balance beginning of year	<u>195,332</u>	<u>170,331</u>
Cash balance end of year	<u>\$ 213,026</u>	<u>\$ 195,332</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, 2014

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; Dr. Leonardo Stringer- 1st Vice President; Dr. Sammie Burley- 2nd Vice President; Ronald E. Tookes-Secretary; Col. Eddie Alford, Sr-Treasurer; James H. Williams-Sports Commissioner; Dr. George Battle-Board Member; Joyce Brumby-Board Member; Omar Hassan-Board Member; Dr. Donald Hollis- Board Member; David Watson- Board Member; Benecia Townsend-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, 2014. Management does not believe it is exposed to any significant credit risk at this time.

Accrual Basis

The financial statements of Organization 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 2011 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, 2013. 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, 2013, 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) 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, 2014 and 2013 are summarized as follows:

	<u>2014</u>	<u>2013</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 March 25, 2012, Richmond Perrine Optimist Club, Inc. renewed an existing \$50,000 line of credit with Total Bank to be drawn upon as needed through December 1, 2014, with an interest rate of 2% above prime. The loan is secured by corporate assets. As of June 30, 2014, \$43,380 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 partial 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, 2014 for programs activities:	\$ 129,164
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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.

NOTES TO FINANCIAL STATEMENTS CONTINUED

The agency is leasing some copier equipment. These leases are classified as operating lease obligations as it does not meet the criteria for capital lease obligation. The lease expires in 2017. The future minimum lease payments under the lease at June 30, 2014 are as follows:

<u>Year</u>	<u>Amount</u>
June 30, 2015	8,388
June 30, 2016	8,388
June 30, 2017	<u>2,796</u>
	\$19,572

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 September 22, 2014, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION



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

To the Board of Directors of
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 nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 22, 2014.

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's 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 of expressing an opinion on the effectiveness of Richmond-Perrine Optimist Club, Inc. of Miami, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist 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's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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

Miami, Florida
September 22, 2014

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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, 2014, and we have issued our report thereon dated September 22, 2014. 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 July 8, 2014.

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 2014. 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 September 22, 2014.

Management Consultations with other 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
September 22, 2014

Nzeribe & Company, PA
Nzeribe & Company, PA.



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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 for the year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the organization internal control over financial reporting (internal control) 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 organizations internal control. Accordingly, we do not express an opinion on the effectiveness of the organization internal control.

However, during our audits we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated September 22, 2014 on the financial statements of Richmond Perrine Optimist Club, Inc. of Miami, Florida.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various organization personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized in the following pages.

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

Miami, Florida
September 22, 2014

Nzeribe & Company, PA
Nzeribe & Company, PA

CURRENT YEAR COMMENTS AND RECOMMENDATIONS

Compliance

(1)

The agency contract with Miami-Dade County Office of Grants Coordination requires the agency case workers to visit participants' home at least once a month to speak with parent regarding client participation. We noted from the participant files examined that the home visits were not done for every participant during some months as required.

Recommendation

The agency must instruct the case management workers to conduct monthly home visits and document attempts to make follow up contacts if the first attempt is not successful.

Management Response

The Supervisory Staff will conduct training with case management personnel to re-emphasize the procedures for conducting home visits and measures that should be taken in the event there is no contact made during the initial visit. Emphasis will be placed on properly documenting unsuccessful attempts that are made and what follow up actions should be taken, such as making additional visits to ensure contact is made for each month.

(2)

The agency contract with the school Board of Miami-Dade County requires the agency to ensure that all instructional staff members within the educational component of the program are fully certified or certifiable in the subject area, as defined in State Board of Education Rule. We noted that one of the staff was not fully certified in the subject area.

Recommendation

The agency must ensure that all teachers hold and maintain a valid certificate during employment to comply with this requirement.

Management Response

The teacher referred to was a certified Miami-Dade County Public School Teacher with a state certification that is valid through June 30, 2017. His Professional Educator's Certificate is on file with Miami-Dade County Public Schools. The teacher received a waiver to teach out of field pending him becoming certified in the out of field subject area. In order to become certified in the out of field subject area, he needed to complete certain courses and tests during a given timeframe. His initial deadline for attaining his subject area certification was the beginning of this current school year, but it was extended to January 15, 2015; due to him attempting to, but not being able to enroll in professional development courses being offered by the school board that would have helped him meet some of his certification requirements, because the classes were filled or not offered to all outreach teachers. Further, while the teacher referred to was eligible to continue teaching at our agency, he accepted another teaching position in the Broward County Public School System and is not on our staff this school year. As an agency we will ensure that all teachers have a valid certificate during their employment and that they are either subject area certified or certifiable under the existing school board rules.

(3)

Chapter 1006.07 (1)(b) requires that any student in a public school to provide certain information at the time of registration. Such information as attendance agreement, intake form and registration form. Upon examination of selected students' files, we noted that some students did not have such information in their files.

Recommendation

The agency should comply with this requirement.

Management Response

The agency agrees with the findings and has taken steps to correct this deficiency including adding additional clerical support so that all required forms are placed in their proper files.