

AMERICANS FOR IMMIGRANT JUSTICE, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

AMERICANS FOR IMMIGRANT JUSTICE, INC.

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to the Financial Statements	6-10
SUPPLEMENTARY INFORMATION	
Statement of Functional Expenses	11
Schedule of Florida Bar Foundation Financial Assistance	12
COMPLIANCE SECTION	
Independent Auditors' Report on Internal Control Over Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13-14
Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	15-16
Schedule of Expenditures of Federal Awards	17
Notes to Schedule of Expenditures of Federal Awards	18
Schedule of Findings and Responses	19-20
Summary Schedule of Prior Audit Findings	21

INDEPENDENT AUDITORS' REPORT



4649 PONCE DE LEON BLVD.
SUITE 404
CORAL GABLES, FL 33146
TEL: 305-662-7272
FAX: 305-662-4266
ACC-CPA.COM

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Officers of
Americans for Immigrant Justice, Inc.
Miami, Florida

We have audited the accompanying statements of financial position of the Americans for Immigrant Justice, Inc. (the "Organization") as of December 31, 2011 and 2010 and the related statements of activities and cash flows for the years 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. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. 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 the 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.

As discussed in Note 10 to the financial statements, the December 31, 2010 financial statements have been restated to correct a misstatement.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Americans for Immigrant Justice, Inc. as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years 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 June 5, 2012 on our consideration of the Organization'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* and should be considered in assessing the results of our audit.

To the Board of Directors and Officers of
Americans for Immigrant Justice, Inc.
Miami, Florida

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Functional Expenses and Schedule of Florida Bar Foundation Financial Assistance on pages 11 and 12, respectively, are presented for purposes of additional analysis and are not a required part of the financial statements. Similarly, the schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Alberni Caballero & Company, LLP

Alberni Caballero & Company, LLP
Coral Gables, Florida
June 5, 2012

FINANCIAL STATEMENTS

AMERICANS FOR IMMIGRANT JUSTICE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 610,752	\$ 408,898
Restricted cash and cash equivalents	6,395	6,395
Receivables	<u>410,465</u>	<u>487,318</u>
	<u>1,027,612</u>	<u>902,611</u>
Property and Equipment- Net	<u>46,022</u>	<u>67,645</u>
Other assets	<u>22,068</u>	<u>43,814</u>
Total assets	<u>\$ 1,095,702</u>	<u>\$ 1,014,070</u>
<u>Liabilities</u>		
Accounts payable and accrued expenses	\$ 260,983	\$ 181,311
Refundable advances	163,343	118,086
Case settlements held in trust	6,395	6,395
Deferred revenues	<u>18,167</u>	<u>7,875</u>
Total liabilities	<u>448,888</u>	<u>313,667</u>
<u>Net Assets</u>		
Unrestricted:		
Designated by the Board for operating reserve	235,988	235,988
Unrestricted and undesignated	<u>410,826</u>	<u>464,415</u>
Total unrestricted	<u>646,814</u>	<u>700,403</u>
Total liabilities and net assets	<u>\$ 1,095,702</u>	<u>\$ 1,014,070</u>

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

AMERICANS FOR IMMIGRANT JUSTICE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Changes in Unrestricted Net Assets</u>		
Support and revenue		
Contributions	\$ 42,453	\$ 35,011
In-Kind	-	4,719
Grants	1,990,164	2,463,112
Government contracts	1,409,097	1,420,204
Interest income	2,795	2,440
Events	114,401	120,921
Other	93,142	63,793
Total unrestricted support and revenue	<u>3,652,052</u>	<u>4,110,200</u>
Expenses		
Program services		
Impact Advocacy	792,949	915,599
Direct Services	<u>2,406,361</u>	<u>2,544,897</u>
Total program services	3,199,311	3,460,496
Supporting services		
Management and general	348,057	270,354
Fundraising	<u>158,273</u>	<u>166,108</u>
Total supporting services	<u>506,330</u>	<u>436,462</u>
Change in Net Assets	(53,589)	213,242
Net Assets at January 1,	<u>700,403</u>	<u>487,161</u>
Net Assets at December 31,	<u>\$ 646,814</u>	<u>\$ 700,403</u>

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

AMERICANS FOR IMMIGRANT JUSTICE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (53,589)	\$ 213,242
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	22,742	29,334
Loss on disposal of property and equipment	2,162	-
(Increase) decrease in:		
Receivables	76,853	221,608
Deposits and other assets	21,746	(18,572)
Increase (decrease) in:		
Accounts payable and accrued expenses	79,672	(27,859)
Grant payable	45,257	(28,121)
Case settlements held in trust	-	(204)
Deferred revenues	<u>10,292</u>	<u>5,875</u>
Net cash provided by operating activities:	<u>205,135</u>	<u>395,303</u>
Cash Flows from Investing Activities		
Acquisition of property and equipment	<u>(3,281)</u>	<u>(28,170)</u>
Net cash (used in) investing activities:	<u>(3,281)</u>	<u>(28,170)</u>
Net Increase in Cash and Cash Equivalents	201,854	367,133
Cash and Cash Equivalents at January 1,	<u>415,293</u>	<u>48,160</u>
Cash and Cash Equivalents at December 31,	<u>\$ 617,147</u>	<u>\$ 415,293</u>

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

AMERICANS FOR IMMIGRANT JUSTICE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

1. NATURE OF ACTIVITIES

Americans for Immigrant Justice, Inc. (formerly known as Florida Immigrant Advocacy Center, Inc.) is a not-for-profit organization incorporated in Florida on July 31, 1995, to protect the basic human rights of immigrants of all nationalities in Florida through direct legal services and impact advocacy efforts. The Organization operates from one office located in Miami, Florida. It provides direct legal assistance to individual clients that meet 125% of the Federal poverty guidelines and require an attorney to represent them in complex immigration issues.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Net assets and revenues, gains, or losses are classified based on the existence or absence of donor-imposed restrictions as follows:

Unrestricted - Includes amounts which have no external restrictions and which are available for support of current operations.

Temporarily Restricted - Includes amounts which have donor-restrictions that can be fulfilled by actions of the Endowment pursuant to those restrictions or restrictions that expire by the passage of time.

Permanently Restricted - Includes amounts that are subject to restrictions of the gift instruments requiring in perpetuity that the principal be invested and only the income be used.

b. Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

c. Restricted and Unrestricted Revenue

Contributions 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. Federal and State grant awards are classified as refundable advances until expended for the purpose of the grant since they are conditional promises to give. Unrestricted support increases unrestricted net assets.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

d. **Cash and Cash Equivalents**

For purposes of the statement of cash flows, short-term marketable investments purchased with an original maturity date of three months or less are considered to be cash equivalents.

e. **Allowance for Doubtful Accounts**

Management monitors the collection status of its receivables on an ongoing basis. Management believes that all receivables are collectible; therefore, the Organization has not included a provision for uncollectible accounts. Any accounts deemed uncollectible will be charged to expense when the determination is made.

f. **Property and Equipment**

Purchases of depreciable assets are recorded at cost or, if donated, at the fair value at the date of donation. Assets purchased with funds with explicit restrictions regarding their use and restrictions on the disposition of those assets are reported as restricted support. The Organization reclassifies temporarily restricted net assets to unrestricted net assets by releasing the depreciation charged for those assets during the period. All of the Organization's depreciable assets are unrestricted. Normal repairs and maintenance are charged to expense as incurred. Depreciation is recorded as an expense of unrestricted net assets and is computed using the straight-line method over the assets estimated useful life.

Estimated useful lives of property and equipment are as follows:

	<u>Years</u>
Computer equipment	3 – 5
Office equipment	3 – 7
Office furniture	3 – 7

The Organization capitalizes assets with a cost greater than \$1,000 and a useful life greater than one year.

g. **Deferred Revenue/Refundable Advances**

Revenue received in advance of the Organization incurring allowable grant expenses are recorded as deferred revenues or refundable advances.

h. **Statement of Functional Expenses**

The cost of providing services has been allocated on a functional basis among personnel compensation, professional fees, depreciation, equipment leasing, insurance rent, repairs and maintenance, supplies and postage and telephone. Allocations are generally made based on full time equivalent of administrative personnel as a percentage of the total personnel. Rent is allocated based on square footage.

i. **Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as a public supported organization. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements. This exemption is subject to periodic review by the IRS.

j. **Reclassification**

Certain 2010 amounts have been reclassified to conform to the 2011 financial statement presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Comparative Data

The amounts shown for the year ended December 31, 2010 in the accompanying financial statements are included to provide a basis for comparison with 2011 and present summarized totals only. Accordingly, the 2010 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2010, from which the summarized information was derived.

l. Use of Estimates

The preparation of financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. These estimates include assessing the collectability of receivables, and the useful lives and impairment of tangible assets. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statement in the period they are determined to be necessary. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

3. CONTRACT FUNDING AND ECONOMIC DEPENDENCE

A significant portion of the Organization's funding is received from the Florida Department of Children and Families, The Florida Bar Foundation and The Children's Trust. The majorities of the contracts are on a cost reimbursement basis and are renewable on an annual basis. A significant reduction in the level of this funding, if this were to occur, may have a material effect on the Organization's programs and activities. However, The Florida Bar Foundation has funded the Organization since its inception and management anticipates its continued support.

Revenues received and receivables due under contracts with the Florida Department of Children and Families, The Florida Bar Foundation and The Children's Trust consisted of the following for December 31, 2011 and 2010:

	<u>2011</u>		<u>2010</u>	
	<u>Revenues</u>	<u>Receivables</u>	<u>Revenues</u>	<u>Receivables</u>
Florida Department of Children and Families	8%	12%	8%	53%
The Children's Trust	20%	41%	14%	9%
The Florida Bar Foundation	41%	-	46%	-
Others	31%	47%	31%	37%

4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Computer equipment	\$ 139,618	\$ 164,943
Office equipment	8,057	21,543
Office furniture	<u>15,091</u>	<u>16,326</u>
	162,768	202,812
Less: Accumulated depreciation	<u>(116,744)</u>	<u>(135,167)</u>
	<u>\$ 46,022</u>	<u>\$ 67,645</u>

5. CONDITIONAL PROMISES TO GIVE

As of December 31, 2011, the Organization had received conditional promises to give from the Florida Department of Children and Families for approximately \$ 271,000 contingent upon providing legal services from October 1, 2011 through September 30, 2012 to eligible refugees and entrants in Miami-Dade and Monroe Counties. In addition, the Organization's grant from The Children's Trust of Miami-Dade County has been renewed for 2012 for the service partnership program in the amount of \$441,111 from November 1, 2011 through July 31, 2012. The receipt of funds is contingent upon on providing the services described in the grant agreement and complying with the reporting requirements of the grant.

6. COMMITMENTS AND CONTINGENCIES

Office Lease

The Organization leases office space under the terms of a non-cancelable operating lease. The lease which was renewed on January 31, 2011 and expires on January 31, 2013, calls for a monthly base rent of \$18,020 and additional rental payments based on the Organization's pro-rata share of costs agreed to under the lease. The Organization may extend the lease for one year with an increase to the monthly rent to \$18,741.

The minimum future rentals to be paid by the Organization are as follows:

<u>December 31,</u>	
2012	\$ 216,240
2013	<u>18,020</u>
Total minimum future rentals	<u>\$234,260</u>

Rent expense totaled approximately \$220,000 and \$207,000 for the years ended December 31, 2011 and 2010; respectively.

Grants

The Organization receives grants that require compliance with certain provisions stated in the grant document. Failure to comply with these provisions could result in the return of funds to grantors. Although, this is a possibility, management deems the contingency remote since, in their opinion; the Organization has fully complied with the provisions of the grants.

7. EMPLOYEE BENEFITS

IRC Section 125 Smart Plan

The Organization maintains a cafeteria plan under Section 125 of the Internal Revenue Code. The plan allows employees to pay for family health and dental coverage through pre-tax earnings. Employees are eligible to participate after 90 days of continuous employment.

7. EMPLOYEE BENEFITS (Continued)

IRC Section 403 (b)(7) Annuity Plan

The Organization maintains an annuity plan under Internal Revenue Code IRC Section 403 (b)(7). As of January 1, 2011, The Organization contributes 3% of the annual salaries of those employees which have been with the Organization for three (3) or more years.

8. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts which at times may exceed the federally insured limits. The Organization has not experienced any losses in such accounts. The Organization maintains its cash with high quality financial institutions, which the Organization believes limits these risks.

9. BOARD DESIGNATED OPERATING RESERVE

In January 2010, the Board of Directors approved the establishment of a Board designated operating reserve. The purpose of this fund or account is to establish a financial reserve to provide for a minimum of one to two months of operating income (operating reserve or reserve). The goal is to position the Organization to handle fiscal emergencies such as lack of short-term cash flow, unanticipated loss of grants or other funding, and unexpected replacement of physical assets. Any use of the operating reserve must first be approved by the executive committee of the Board. As of December 31, 2011, the balance of the operating reserve was \$235,988.

10. RESTATEMENT OF FINANCIAL STATEMENTS

During 2011 the Organization discovered that not all available funds from a granting source were drawn down for allowable expenses that were incurred during the year ended December 31, 2010. The Organization promptly submitted a request for reimbursement and received from the agency \$150,677 in August 2011. As a result, a prior period adjustment was recorded to correct the beginning net assets for receivables and revenues that were understated as of December 31, 2010.

The effect of the restatement on the change in unrestricted net assets and financial position as of and for the year ended December 31, 2010:

	<u>2010</u>	
	<u>As Previously Reported</u>	<u>Restated</u>
Grant Revenues	\$2,312,435	\$2,463,112
Change in Net Assets	62,565	213,242
Receivables	336,641	487,318
Net Assets	549,726	700,403

11. SUBSEQUENT EVENTS

Management evaluated subsequent events from January 1, 2012 through June 5, 2012, the date that the financial statements were available to be published. No events were identified during this review of subsequent events that required adjustment to or disclosure within these financial statements.

SUPPLEMENTARY INFORMATION

AMERICANS FOR IMMIGRANT JUSTICE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2011
(WITH COMPARATIVE TOTALS FOR 2010)

	Program Services			Supporting Services		<u>2011</u>	<u>2010</u>
	Impact Advocacy & Statewide	Direct Services	Total Program	Management and General	Fundraising	Total Expenses	Total Expenses
Personnel compensation	\$ 556,946	\$ 1,467,233	\$ 2,024,179	\$ 291,941	\$ 143,128	\$ 2,459,248	\$ 2,783,974
Client services	5,262	18,797	24,059	-	-	24,059	22,800
Depreciation	7,795	11,019	18,814	3,928	-	22,742	29,334
Dues and licenses	9,881	10,024	19,906	2,058	6,496	28,460	15,228
Equipment leasing	8,865	10,206	19,071	1,006	-	20,077	18,599
Insurance	2,237	3,284	5,521	-	-	5,521	7,599
Legal library	1,649	6,088	7,738	-	-	7,738	10,634
Litigation	1,456	13	1,469	-	-	1,469	2,678
Loan repayment assistance	-	1,611	1,611	-	-	1,611	7,363
Miscellaneous	442	296	738	-	-	738	-
Professional services	43,451	89,797	133,249	25,693	3,328	162,270	191,526
Rent	35,537	167,345	202,882	17,482	-	220,365	206,821
Repairs and maintenance	4,048	8,785	12,832	24	215	13,071	19,743
Subgrants	-	508,933	508,933	-	-	508,933	284,674
Supplies and postage	33,765	46,014	79,779	2,097	3,845	85,721	105,559
Telephone	13,305	25,621	38,926	1,185	52	40,163	46,712
Training	45,823	2,743	48,566	367	185	49,118	37,810
Travel	20,328	22,384	42,712	1,795	1,023	45,531	66,639
Bad debt	2,159	6,166	8,325	482	-	8,807	39,265
	<u>\$ 792,949</u>	<u>\$ 2,406,361</u>	<u>\$ 3,199,311</u>	<u>\$ 348,057</u>	<u>\$ 158,273</u>	<u>\$ 3,705,641</u>	<u>\$ 3,896,958</u>

AMERICANS FOR IMMIGRANT JUSTICE, INC.
SCHEDULE OF FLORIDA BAR FOUNDATION FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2011

GENERAL AWARDS	
General Operating	\$ 906,333
General Operating - 2012 Advance	100,000
Regional VII Foster Care Youth	22,500
Summer Fellowships	7,700
Salary Supplementation & Retirement	176,000
Children's Legal Project	62,652
Statewide	218,994
TOTAL GENERAL AWARDS	<u>\$ 1,494,179</u>

EXPENSES	
Personnel compensation	1,124,057
Contract services	22,837
Dues and licenses	10,322
Equipment leasing	10,984
Insurance	1,810
Legal library	7,128
Litigation	1,442
Loan Repayment Assistance	1,611
Professional services	44,365
Rent	94,086
Supplies and postage	33,610
Telephone	22,621
Travel	18,771
Training	2,104
Salary Supplementation returned to FBF	46,004
TOTAL EXPENSES	<u>\$ 1,441,752</u>

COMPLIANCE SECTION



4649 PONCE DE LEON BLVD.
SUITE 404
CORAL GABLES, FL 33146
TEL: 305-662-7272
FAX: 305-662-4266
ACC-CPA.COM

**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 and Officers of
Americans for Immigrant Justice, Inc.
Miami, Florida

We have audited the financial statements of Americans for Immigrant Justice, Inc. (the "Organization") as of and for the year ended December 31, 2011, and have issued our report dated June 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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 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.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors and Officers of
Americans for Immigrant Justice, Inc.

We noted certain matters that were reported to management in a separate letter dated June 5, 2012.

This report is intended solely for the information and use of the Board of Directors, management and others within the Organization and granting agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Alberni Caballero & Company, LLP

Alberni Caballero & Company, LLP
Coral Gables, Florida
June 5, 2012



4649 PONCE DE LEON BLVD.
SUITE 404
CORAL GABLES, FL 33146
TEL: 305-662-7272
FAX: 305-662-4266
ACC-CPA.COM

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors and Officers of
Americans for Immigrant Justice, Inc.
Miami, Florida

Compliance

We have audited the Americans for Immigrant Justice, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2011. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Responses. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization'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 OMB Circular A-133. Those standards and OMB Circular A-133 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 federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Organization's compliance with those requirements.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

To the Board of Directors and Officers of
Americans for Immigrant Justice, Inc.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

We noted certain matters that were reported to management in a separate letter dated June 5, 2012.

This report is intended solely for the information and use of the Board of Directors, management and others within the Organization and granting agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Alberni Caballero & Company, LLP

Alberni Caballero & Company, LLP
Coral Gables, Florida
June 5, 2012

AMERICANS FOR IMMIGRANT JUSTICE, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Grant Number</u>	<u>Expenditures</u>
U.S. Department of Health and Human Services			
Office of Refugee Resettlement			
<i>Passed through Lutheran Immigration & Refugee Services</i>			
Treatment and Services for Torture Victims	93.604	90ZT0057/03	\$ <u>17,725</u>
<i>Passed through the Florida Department of Children & Families:</i>			
Refugees and Entrant Assistance-Discretionary Grants	93.576	XK015 & XK025	<u>132,905</u>
<i>Passed through the Florida Department of Children & Families:</i>			
Refugees and Entrant Assistance- State Administered Programs	93.566	XK015 & XK025	<u>151,754</u>
<i>Sub-total Refugees and Entrant Assistance- Cluster</i>			<u>284,659</u>
Total U.S. Department of Health and Human Services			<u>302,384</u>
U.S. Department of Justice			
Legal Assistance for Victims Grants Program	16.524	2010-WL-AX-0066	<u>219,956</u>
Legal Assistance for Victims Grants Program	16.524	2004-WL-AX-0031 *	<u>150,677</u>
Culturally & Linguistically Specific Services Program- Nou Kab	16.016	2009-UW-AX-0021	<u>137,176</u>
<i>Passed through (MUJER- Mujeres Unidas en Justicia Educacion y Reforma</i>			
<i>/Women United in Justice Education and Reform)</i>			
Culturally & Linguistically Specific Services Program- Nou Kab	16.016	N/A	<u>9,615</u>
<i>Passed through Miami-Dade County:</i>			
Grants to Encourage Arrest Policies & Enforcement of Protection Orders Program	16.590	2006-WE-AX-0069	<u>60,342</u>
<i>Passed through FL Coalition Against Domestic Violence:</i>			
Violence Against Women Formula Grants	16.588	11-2055-LCH	<u>11,035</u>
<i>Passed through Victims Response, Inc.</i>			
Transitional Housing	16.805	2009-EH-S6-0055	<u>10,273</u>
Total U.S. Department of Justice			<u>599,074</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 901,458</u>

* Legal Assistance for Victims Grants Program expenditures were incurred during 2010 and not included in the 2010 schedule of expenditures

See Notes to Schedule of Expenditures of Federal Awards.

AMERICANS FOR IMMIGRANT JUSTICE, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

1. GENERAL

The Schedule of Expenditures of Federal Awards included herein represents all of the Federal grant awards of Americans for Immigrant Justice, Inc. (the "Organization") over which the Organization exercised direct operating control for the year ended December 31, 2011.

2. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting and includes expenses incurred by the Organization during its year ended December 31, 2011.

Substantially all federal awards administered by Organization are operated on a reimbursement basis. Advances to grant programs are made from unrestricted cash balances included with the Organization's cash accounts.

3. SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133

All Federal grant operations of the Organization are included in the scope of the Office of Management and Budget (OMB) Circular A-133 audit (the Single Audit). The Single Audit was performed in accordance with the provisions of the OMB *Circular A-133 Compliance*. Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the grant program noted below. The Organization qualifies as a low risk auditee, based on the guidelines listed in OMB circular A-133. Accordingly, the programs listed below represent the federal award programs tested to ensure coverage of at least 25% of the Federal granted funds. Actual coverage is approximately 41% of total Federal award program expenditures.

<u>Major Federal Award Program Description</u>	<u>Expenditures</u>
Legal Assistance for Victims Grants Program - Lucha (Cluster)	<u>\$370,633</u>
	<u>\$370,633</u>

4. CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenses are disallowed by grantor agency as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the Organization. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

AMERICANS FOR IMMIGRANT JUSTICE, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2011

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Non-compliance material to financial statements noted?	No

Federal Awards Programs

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiencies identified?	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 Section 510(a) of Circular A-133?	No
--	----

Identification of major programs:

Program CFDA #

Legal Assistance for Victims Grants Program - Lucha (Cluster)	16.524
---	--------

Dollar threshold used to distinguish between Type A and Type B Programs:	\$ 300,000
--	------------

Auditee qualified as low risk auditee?	Yes
--	-----

AMERICANS FOR IMMIGRANT JUSTICE, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

B. FINDINGS AND RESPONSES - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND RESPONSES - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

AMERICANS FOR IMMIGRANT JUSTICE, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

A. FINDINGS AND RESPONSES - FINANCIAL STATEMENTS AUDIT

None

B. FINDINGS AND RESPONSES - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None