

**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2010 AND 2009**

FLORIDA IMMIGRANT ADVOCACY CENTER, INC.

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## INDEPENDENT AUDITORS' REPORT

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Officers of  
Florida Immigrant Advocacy Center, Inc.  
Miami, Florida

We have audited the accompanying statements of financial position of the Florida Immigrant Advocacy Center, Inc. (the "Organization") as of and for the years ended December 31, 2010 and 2009 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of the Florida Immigrant Advocacy Center, Inc. as of December 31, 2010 and 2009, and the results of its changes in net assets and 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 16, 2011 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.

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 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 has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Alberni Caballero & Company, LLP*

Coral Gables, Florida  
June 16, 2011

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## FINANCIAL STATEMENTS

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**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
	<u>Assets</u>	
Cash and cash equivalents	\$ 408,898	\$ 41,561
Restricted cash and cash equivalents	6,395	6,599
Receivables	<u>336,641</u>	<u>708,926</u>
	<u>751,934</u>	<u>757,086</u>
Property and Equipment- Net	<u>67,645</u>	<u>68,809</u>
Other assets	<u>43,814</u>	<u>25,242</u>
Total assets	<u>\$ 863,393</u>	<u>\$ 851,137</u>
	<u>Liabilities</u>	
Accounts payable and accrued expenses	\$ 181,311	\$ 209,170
Refundable advances	118,086	146,207
Case settlements held in trust	6,395	6,599
Deferred revenues	<u>7,875</u>	<u>2,000</u>
Total liabilities	<u>313,667</u>	<u>363,976</u>
	<u>Net Assets</u>	
Unrestricted:		
Designated by the Board for operating reserve	235,988	-
Unrestricted and undesignated	<u>313,738</u>	<u>487,161</u>
Total unrestricted	<u>549,726</u>	<u>487,161</u>
Total liabilities and net assets	<u>\$ 863,393</u>	<u>\$ 851,137</u>

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



**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
<u>Changes in Unrestricted Net Assets</u>		
Support and revenue		
Contributions	\$ 35,011	\$ 29,082
In-Kind	4,719	-
Grants	2,312,435	2,094,397
Government contracts	1,420,204	1,899,351
Interest income	2,440	5,101
Events	120,921	90,454
Other	63,793	82,634
Total unrestricted support and revenue	<u>3,959,523</u>	<u>4,201,019</u>
Expenses		
Program services		
Impact Advocacy	915,599	818,528
Direct Services	2,544,897	2,921,620
General Civil	-	208,885
Total program services	<u>3,460,496</u>	<u>3,949,033</u>
Supporting services		
Management and general	270,354	243,266
Fundraising	166,108	179,705
Total supporting services	<u>436,462</u>	<u>422,971</u>
Total expenses	<u>3,896,958</u>	<u>4,372,004</u>
Change in Net Assets	62,565	(170,985)
Net Assets at January 1,	<u>487,161</u>	<u>658,146</u>
Net Assets at December 31,	<u>\$ 549,726</u>	<u>\$ 487,161</u>

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

**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 62,565	\$ (170,985)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	29,334	30,114
(Increase) decrease in:		
Receivables	372,285	(150,230)
Deposits and other assets	(18,572)	(4,146)
Increase (decrease) in:		
Accounts payable and accrued expenses	(27,859)	(6,656)
Grant payable	(28,121)	6,537
Case settlements held in trust	(204)	6,599
Deferred revenues	<u>5,875</u>	<u>(4,000)</u>
Net cash provided by (used in) operating activities:	<u>395,303</u>	<u>(292,767)</u>
Cash Flows from Investing Activities		
Acquisition of property and equipment	<u>(28,170)</u>	<u>(10,015)</u>
Net cash (used in) investing activities:	<u>(28,170)</u>	<u>(10,015)</u>
Net Increase (Decrease) in Cash and Cash Equivalent	367,133	(302,782)
Cash and Cash Equivalents at January 1,	<u>48,160</u>	<u>350,942</u>
Cash and Cash Equivalents at December 31,	<u>\$ 415,293</u>	<u>\$ 48,160</u>

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



**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2010 AND 2009**

**1. NATURE OF ACTIVITIES**

Florida Immigrant Advocacy Center, Inc. (the "Organization") 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 two offices located in Miami and Homestead, 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. During 2010, the Organization determined that \$39,265 of its receivables from Florida Department of Children and Families, were uncollectible.

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 \$500 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.



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

### j. Reclassification

Certain 2009 amounts have been reclassified to conform with the 2010 financial statement presentation.

### k. Comparative Data

The amounts shown for the year ended December 31, 2009 in the accompanying financial statements are included to provide a basis for comparison with 2010 and present summarized totals only. Accordingly, the 2009 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, 2009, 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 collectibility 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 majority 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, 2010 and 2009:

	<u>2010</u>		<u>2009</u>	
	<u>Revenues</u>	<u>Receivables</u>	<u>Revenues</u>	<u>Receivables</u>
Florida Department of Children and Families	8%	53%	15%	63%
The Children's Trust	14%	9%	17%	8%
The Florida Bar Foundation	46%	-	40%	-
Others	31%	37%	29%	29%

Subsequent to year end the Organization collected a majority of the outstanding receivables due from the Florida Department of Children and Families.

4. **PROPERTY AND EQUIPMENT**

Property and equipment consists of the following as of December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Computer equipment	\$ 164,943	\$ 136,773
Office furniture	21,543	21,543
Office equipment	<u>16,326</u>	<u>16,326</u>
	202,812	174,642
Less: Accumulated depreciation	<u>(135,167)</u>	<u>(105,833)</u>
	<u>\$ 67,645</u>	<u>\$ 68,809</u>

5. **CONDITIONAL PROMISES TO GIVE**

As of December 31, 2010, the Organization had received conditional promises to give from the Florida Department of Children and Families for approximately \$ 272,000 contingent upon providing legal services from October 1, 2010 through September 30, 2011 to eligible refugees and entrants in Miami-Dade and Monroe Counties.

6. **LINES OF CREDIT**

The Organization maintains a line of credit with local bank totaling \$100,000. The line of credit is due on demand and requires monthly payment of interest only at 7.5%. The line of credit is secured by deposits held with the bank. There were no balances outstanding on the line of credit as of December 31, 2010 and 2009.

7. **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>	
2011	\$ 215,348
2012	216,240
2013	<u>18,020</u>
Total minimum future rentals	<u>\$449,608</u>

Rent expense totaled approximately \$207,000 and \$209,000 for the years ended December 31, 2010 and 2009; 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.

**8. 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.

**IRC Section 403 (b)(7) Annuity Plan**

The Organization maintains an annuity plan under Internal Revenue Code IRC Section 403 (b)(7). As of October 1, 2008, The Florida Bar Foundation contributes 2% and the Organization 1% of the annual salaries of those employees which have been with the Organization for three (3) or more years. Effective, January 1, 2011 The Florida Bar Foundation no longer contributes to the plan.

**9. 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.

**10. 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, 2010, the balance of the operating reserve was \$235,988.

**11. SUBSEQUENT EVENTS**

Management evaluated subsequent events from January 1, 2010 through June 16, 2011, the date that the financial statements were available to be published. Except for the renewal of the office lease disclosed in Note 7; no events were identified during this review of subsequent events that required adjustment to or disclosure within these financial statements.



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## SUPPLEMENTARY INFORMATION

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FLORIDA IMMIGRANT ADVOCACY CENTER, INC  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(WITH COMPARATIVE TOTALS FOR 2009)

	Program Services			Supporting Services		2010	2009
	Impact Advocacy & Statewide	Direct Services	Total Program	Management and General	Fundraising	Total Expenses	Total Expenses
Personnel compensation	\$ 723,243	\$ 1,709,496	\$ 2,432,739	\$ 218,177	\$ 133,058	\$ 2,783,974	\$ 3,088,184
Client services	4,899	17,901	22,800	-	-	22,800	14,937
Depreciation	10,410	12,219	22,629	6,705	-	29,334	30,114
Dues and licenses	8,068	6,422	14,490	738	-	15,228	16,366
Equipment leasing	7,478	10,227	17,705	894	-	18,599	22,985
Insurance	5,208	2,391	7,599	-	-	7,599	4,903
Legal library	2,602	7,389	9,991	643	-	10,634	12,620
Litigation	1,258	1,420	2,678	-	-	2,678	7,000
Loan repayment assistance	766	6,597	7,363	-	-	7,363	7,527
Miscellaneous	-	-	-	-	-	-	5,932
Professional services	38,174	119,250	157,424	19,102	15,000	191,526	171,087
Rent	38,726	143,300	182,026	17,295	7,500	206,821	208,892
Repairs and maintenance	5,317	14,074	19,391	352	-	19,743	23,034
Subgrants	2,000	282,674	284,674	-	-	284,674	514,174
Supplies and postage	31,786	62,274	94,060	3,299	8,200	105,559	99,683
Telephone	11,853	31,287	43,140	1,222	2,350	46,712	57,976
Training	5,920	31,890	37,810	-	-	37,810	25,385
Travel	17,891	46,821	64,712	1,927	-	66,639	61,205
Bad debt	-	39,265	39,265	-	-	39,265	-
	<u>\$ 915,599</u>	<u>\$ 2,544,897</u>	<u>\$ 3,460,496</u>	<u>\$ 270,354</u>	<u>\$ 166,108</u>	<u>\$ 3,896,958</u>	<u>\$ 4,372,004</u>

**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**SCHEDULE OF FLORIDA BAR FOUNDATION FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

GENERAL AWARDS	
General Operating	\$ 897,411
Regional VII Training Funds	8,922
Regional VII Foster Care Youth	45,000
Summer Fellowships	13,750
Salary Supplementation & Retirement	271,258
Fort Pierce Office	87,455
Region V Training	836
Region V Restricted	15,000
Children's Legal Project	78,315
Statewide	218,994
Special Disaster Grant - TPS	140,000
FACLA 11th and 19th Circuits	58,244
<b>TOTAL GENERAL AWARDS</b>	<b>\$ 1,835,185</b>

EXPENSES	
Personnel compensation	\$ 1,357,159
Contract services	1,900
Dues and licenses	11,986
Equipment leasing	11,879
Insurance	3,868
Legal library	8,270
Litigation	1,156
Professional services	72,727
Property acquisitions	13,599
Rent	93,911
Supplies and postage	46,845
Telephone	25,278
Travel	25,948
Training	3,112
Funds transferred to Florida Equal Justice Institute	96,934
Salary Supplementation returned to FBF	33,000
Miscellaneous	1,440
<b>TOTAL EXPENSES</b>	<b>\$ 1,809,012</b>

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## COMPLIANCE SECTION

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CERTIFIED PUBLIC ACCOUNTANTS  
& CONSULTANTS

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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 and Officers of  
Florida Immigrant Advocacy Center, Inc.  
Miami, Florida

We have audited the financial statements of Florida Immigrant Advocacy Center, Inc. (the "Organization") as of and for the year ended December 31, 2010, and have issued our report dated June 16, 2011. 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 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 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  
Florida Immigrant Advocacy Center, Inc.

However, we noted other matters that were reported to management in a separate letter dated June 16, 2011.

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*

Coral Gables, Florida  
June 16, 2011

**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  
Florida Immigrant Advocacy Center, Inc.  
Miami, Florida

Compliance

We have audited the Florida Immigrant Advocacy Center, 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 award programs for the year ended December 31, 2010. The Organization's major federal awards 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 awards 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 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 Organization's compliance with those requirements.

In our opinion, 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, 2010.

Internal Control Over Compliance

Management of 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 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 Organization's internal control over compliance.

To the Board of Directors and Officers of  
Florida Immigrant Advocacy Center, 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.

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*

Coral Gables, Florida  
June 16, 2011



**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Grant Number</u>	<u>Expenditures</u>
<b>U.S. Department of Health and Human Services</b>			
<b>Office of Refugee Resettlement</b>			
<i>Passed through Lutheran Immigration &amp; Refugee Services</i>			
Treatment and Services for Torture Victims	93.604	90ZT0057/03	\$ 15,320
<i>Passed through the Florida Department of Children &amp; Families:</i>			
Refugees and Entrant Assistance-Discretionary Grants	93.584	LK870 & XK015	197,058
<i>Passed through the Florida Department of Children &amp; Families:</i>			
Refugees and Entrant Assistance- State Administered Programs	93.566	LK870 & XK015	131,372
<i>Sub-total Refugees and Entrant Assistance- Cluster</i>			328,430
<b>Total U.S. Department of Health and Human Services</b>			343,750
<b>U.S. Department of Justice</b>			
Legal Assistance for Victims Grants Program	16.524	2004-WL-AX-0031	71,945
Legal Assistance for Victims Grants Program	16.524	2004-WL-AX-0032	55,000
Culturally & Linguistically Specific Services Program- Nou Kab	16.016	2009-UW-AX-0021	20,899
<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	14,904
<i>Passed through Miami-Dade County:</i>			
Grants to Encourage Arrest Policies & Enforcement of			
Protection Orders Program	16.590	2006-WE-AX-0069	80,999
<i>Passed through FL Coalition Against Domestic Violence:</i>			
Violence Against Women Formula Grants	16.588	N/A	6,840
Legal Assistance for Victims Grants Program-Discretionary Funds	16.588	N/A	3,420
Legal Assistance for Victims Grants Program	16.556	2006-WL-AX-0011	4,500
<i>Passed through Victims Response, Inc.</i>			
Transitional Housing	16.805	N/A	16,694
<b>Total U.S. Department of Justice</b>			275,201
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 618,951

See Notes to Schedule of Expenditures of Federal Awards.

**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

**1. GENERAL**

The Schedule of Expenditures of Federal Awards included herein represents all of the Federal grant awards of Florida Immigrant Advocacy Center, Inc. (the "Organization") over which the Organization exercised direct operating control for the year ended December 31, 2010.

**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, 2010.

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 53% of total Federal award program expenditures.

<u>Major Federal Award Program Description</u>	<u>Expenditures</u>
Refugee and Entrant Assistance-State Administered Programs (Cluster)	<u>\$328,430</u> <u>\$328,430</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.



**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

**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**

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 #

Refugee and Entrant Assistance- State Administered Programs (Cluster)	93.584
Dollar threshold used to distinguish between Type A and Type B Programs:	\$ 300,000
Auditee qualified as low risk auditee?	Yes

**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**  
**(CONTINUED)**

**B. FINDINGS AND RESPONSES - FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND RESPONSES - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**FLORIDA IMMIGRANT ADVOCACY CENTER, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**A. FINDINGS AND RESPONSES - FINANCIAL STATEMENTS AUDIT**

None

**B. FINDINGS AND RESPONSES - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**Finding 2009-1 Eligibility Requirements CFDA 93.566**

**Condition** – Of the 25 files selected for testing we noted 6 files did not contain the signed Release of Information Form as required in the contract with the State of Florida Department of Children and Family Contract #LK870.

**Criteria** – The Contract requires a signed Release of Information Form from participants.

**Cause** – The signed forms were not obtained.

**Effect** – Lack of compliance with the provisions of the contract could result in costs being disallowed by the awarding agency.

**Recommendation** – Although, the Organization has internal control procedures in place over the program to ensure compliance with eligibility requirements, we recommend that the Organization establish quality control reviews of the participant files to ensure all required forms are maintained within the file.

**Management Response** – Since the audit was conducted, all missing releases have been obtained. For the future, we are changing the intake procedure to include the required Department of Children and Families release on the intake form itself. This will ensure that the release will be signed by every individual at the intake interview, regardless of the decision whether to accept or reject the case. Additionally, if the release is incorporated into the intake form at the beginning of the interview process, supervisors will be able to provide quality control since they review all intake forms. This should alleviate the problem from now on.

**Current Status** – This recommendation has been implemented. No similar finding was noted in the 2010 audit