

**MIAMI BRIDGE YOUTH AND
FAMILY SERVICES, INC.**

FINANCIAL STATEMENTS, ADDITIONAL
INFORMATION AND INDEPENDENT
AUDITOR'S REPORT

FOR THE YEARS ENDED
JUNE 30, 2019 AND 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Miami Bridge Youth and Family Services, Inc.
Miami, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Miami Bridge Youth and Family Services, Inc. ("Miami Bridge") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miami Bridge Youth and Family Services, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Chapter 10.650, *Rules of the Auditor General of the State of Florida*, is presented for purposes of additional analysis 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2019, on our consideration of Miami Bridge's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Miami Bridge's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 19, 2019

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,013,241	\$ 980,251
Contract and grant funds receivable	314,960	290,108
Prepaid expenses and other assets	73,710	30,918
TOTAL CURRENT ASSETS	<u>1,401,911</u>	<u>1,301,277</u>
PROPERTY AND EQUIPMENT, NET	<u>728,198</u>	<u>805,660</u>
TOTAL ASSETS	<u><u>\$ 2,130,109</u></u>	<u><u>\$ 2,106,937</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 91,193	\$ 55,612
Accrued expenses	150,847	116,597
Deferred revenue	75,000	2,500
TOTAL CURRENT LIABILITIES	<u>317,040</u>	<u>174,709</u>
COMMITMENTS		
NET ASSETS		
Net assets without donor restrictions		
Available for current operations	1,051,017	1,109,641
Net investment in property and equipment	728,198	805,660
Total net assets without donor restrictions	<u>1,779,215</u>	<u>1,915,301</u>
Net Assets with donor restrictions	<u>33,854</u>	<u>16,927</u>
TOTAL NET ASSETS	<u>1,813,069</u>	<u>1,932,228</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,130,109</u></u>	<u><u>\$ 2,106,937</u></u>

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

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES:			
Government contracts and grant revenues	\$ 2,583,082	\$ 16,927	\$ 2,600,009
Contracted client fees	319,417	-	319,417
United Way allocations	176,099	-	176,099
Foundation grants and other contributions	57,224	-	57,224
Special events	361,400	-	361,400
In-kind contributions	114,177	-	114,177
Other contributions	91,621	-	91,621
Interest and other income	2,488	-	2,488
TOTAL SUPPORT AND REVENUES	3,705,508	16,927	3,722,435
EXPENSES:			
Program services	3,331,630	-	3,331,630
General and administrative	140,302	-	140,302
Marketing and fundraising	369,662	-	369,662
TOTAL EXPENSES	3,841,594	-	3,841,594
CHANGE IN NET ASSETS	(136,086)	16,927	(119,159)
NET ASSETS AT BEGINNING OF YEAR	1,915,301	16,927	1,932,228
NET ASSETS AND END OF YEAR	\$ 1,779,215	\$ 33,854	\$ 1,813,069

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

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUES:			
Government contracts and grant revenues	\$ 2,426,186	\$ 9,155	\$ 2,435,341
Contracted client fees	454,200	-	454,200
United Way allocations	177,012	-	177,012
Foundation grants and other contributions	60,930	-	60,930
Special events	235,288	-	235,288
In-kind contributions	120,811	-	120,811
Other contributions	63,670	-	63,670
Interest and other income	34,461	-	34,461
Net assets released from restrictions	48,348	(48,348)	-
TOTAL SUPPORT AND REVENUES	<u>3,620,906</u>	<u>(39,193)</u>	<u>3,581,713</u>
EXPENSES:			
Program services	3,316,676	-	3,316,676
General and administrative	118,567	-	118,567
Marketing and fundraising	311,774	-	311,774
TOTAL EXPENSES	<u>3,747,017</u>	<u>-</u>	<u>3,747,017</u>
CHANGE IN NET ASSETS	(126,111)	(39,193)	(165,304)
NET ASSETS AT BEGINNING OF YEAR	<u>2,041,412</u>	<u>56,120</u>	<u>2,097,532</u>
NET ASSETS AND END OF YEAR	<u><u>\$ 1,915,301</u></u>	<u><u>\$ 16,927</u></u>	<u><u>\$ 1,932,228</u></u>

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

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (119,159)	\$ (165,304)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	145,885	145,532
(Increase) Decrease in assets:		
Contract and grant funds receivable	(24,852)	32,992
Prepaid expenses and other assets	(42,792)	30,530
Increase (Decrease) in liabilities:		
Accounts payable	35,581	(19,111)
Accrued expenses	34,250	6,715
Deferred revenue	72,500	2,500
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>101,413</u>	<u>33,854</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(68,423)	(69,489)
NET CASH USED IN INVESTING ACTIVITIES	<u>(68,423)</u>	<u>(69,489)</u>
NET INCREASE(DECREASE) IN CASH DURING THE YEAR	32,990	(35,635)
CASH AT BEGINNING OF YEAR	<u>980,251</u>	<u>1,015,886</u>
CASH AT END OF YEAR	<u>\$ 1,013,241</u>	<u>\$ 980,251</u>
SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION		
Interest paid during the year	<u>\$ 2,488</u>	<u>\$ 9,987</u>

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

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services			Supporting Services		2019 Total
	Non Residential	CINSFINS - Shelter	Dependency (Shelters)	Marketing & Fund Raising	General & Administrative	
FUNCTIONAL EXPENSES						
Salaries	\$ 547,576	\$ 1,061,255	\$ 265,314	\$ 54,202	\$ 80,346	\$ 2,008,693
Fringe Benefits	119,428	215,968	53,992	14,202	18,802	422,392
Professional Fees	25,810	64,882	16,220	14,688	14,721	136,321
Fundraising	851	2,402	601	224,973	501	229,328
Office Supplies & Expenses	5,221	11,883	2,971	1,718	1,622	23,415
Office Technology Expenses	20,454	23,262	5,816	7,261	2,554	59,347
Client Program Expenses	12,203	220,565	55,141	20,490	309	308,708
Telephone and Telecommunications	10,323	20,052	5,013	2,130	1,869	39,387
Postage and Shipping	292	778	194	147	151	1,562
Facility Management	5,603	160,869	40,217	1,209	1,251	209,149
Copier Lease	5,620	10,823	2,706	282	89	19,520
Printing and Publication	352	135	34	3,469	216	4,206
Conferences and Meetings	17,759	24,800	6,200	5,506	3,086	57,351
Dues and Subscriptions	5,360	14,091	3,523	2,767	2,773	28,514
Interest and Finance Expenses	1,846	4,469	1,117	5,660	967	14,059
Insurance	20,272	49,134	12,284	9,182	9,182	100,054
Miscellaneous & Other Exp.	8,372	-	-	-	-	8,372
Depreciation Expense	762	116,098	29,025	-	-	145,885
Recruiting, Training and Relations	4,510	13,747	3,435	1,776	1,863	25,331
TOTAL FUNCTIONAL EXPENSES	\$ 812,614	\$ 2,015,213	\$ 503,803	\$ 369,662	\$ 140,302	\$ 3,841,594

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

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	Program Services			Supporting Services		2018 Total
	Non Residential	CINSFINS - Shelter	Dependency (Shelters)	Marketing & Fund Raising	General & Administrative	
FUNCTIONAL EXPENSES						
Salaries	\$ 514,561	\$ 1,104,614	\$ 276,153	\$ 89,741	\$ 60,325	\$ 2,045,393
Fringe Benefits	121,115	222,133	55,533	20,268	12,418	431,468
Professional Fees	19,873	52,259	13,065	9,001	9,957	104,155
Fundraising	-	-	-	140,257	-	140,257
Office Supplies & Expenses	3,839	12,323	3,081	694	731	20,668
Office Technology Expenses	16,926	25,518	6,380	10,303	3,012	62,139
Client Program Expenses	1,902	253,946	63,487	190	137	319,661
Telephone and Telecommunications	7,258	19,968	4,992	1,683	751	34,652
Postage and Shipping	345	942	235	159	160	1,841
Facility Management	11,156	160,021	40,005	778	778	212,740
Copier Lease	6,625	13,731	3,433	693	500	24,981
Printing and Publication	1,153	2,875	719	1,679	565	6,991
Conferences and Meetings	13,721	18,492	4,623	4,409	2,038	43,282
Dues and Subscriptions	5,521	14,463	3,616	3,124	2,812	29,537
Interest and Finance Expenses	1,130	2,820	705	4,890	566	10,110
Insurance	17,841	46,945	11,736	7,856	7,856	92,235
Miscellaneous & Other Exp.	298	483	121	8	-	910
Depreciation Expense	29,106	69,855	17,464	14,553	14,554	145,532
Recruiting, Training and Relations	3,080	11,592	2,898	1,488	1,407	20,465
TOTAL FUNCTIONAL EXPENSES	\$ 775,450	\$ 2,032,980	\$ 508,246	\$ 311,774	\$ 118,567	\$ 3,747,017

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

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Miami Bridge Youth and Family Services, Inc. (“Miami Bridge”), is a not-for-profit organization incorporated in the State of Florida in 1985. It is a social service agency committed to providing opportunities to promote positive youth development, and strengthen and support families to enable children to actualize their full potential to become productive community members. Miami Bridge serves families and their children ages 10-17, who are runaway or otherwise homeless, abused, neglected, abandoned and those at risk of dropping out of school or becoming delinquent.

The services provided by Miami Bridge include full scope temporary emergency shelter services for youth; family crisis intervention counseling and case management services as well as advocacy for families and children.

Temporary Emergency Shelter Services

Miami Bridge operates two temporary emergency shelters located on its Miami and Homestead, Florida campuses. The Miami shelter is licensed for 28 beds and the Homestead shelter is licensed for 20 beds, available for youth ages 10-17. Shelter services also include: individual, group, and family counseling; basic elements of physical care (room, board and clothing); a full-time academic education program (through an on-site alternative education outreach program of Miami-Dade County Public Schools); recreational activities; youth development programming; case management; and physical and mental health and substance abuse prevention counseling services (provided onsite through professional interagency agreements). Intake services are available 24 hours per day. The following is a description of the shelter care programs offered by Miami Bridge:

Children and Families in Need of Service (CINS/FINS) Shelter Care Program

Miami Bridge contracts with The Florida Network of Youth and Family Services, Inc. to provide temporary shelter care services via State of Florida Department of Juvenile Justice funding for runaway, homeless, truant, and ungovernable teens that are not under the supervision of, nor in the custody of, the Department of Children and Families. The U.S. Department of Health and Human Services also provides RHYA Basic Center Grant funding for this at-risk population.

Dependency Shelter Care Program

Both shelters also deliver temporary emergency shelter care programming for youth adjudicated dependents and whose custody lies with the State of Florida Department of Children and Families (DCF). Miami Bridge contracts with five local, full case management agencies to provide shelter services for these dependent youth.

CINS/FINS Family Crisis Intervention Counseling Services

First Stop for Families Program

The First Stop for Families Program is a designated provider of CINS/FINS Centralized Intake and Non-residential Family Intervention Counseling Services for ungovernable, truant, runaway, and homeless youth who are not adjudicated, dependent, and delinquent. To address the needs of families in crisis, First Stop for Families provides an array of services designed to preserve the unity and integrity of the family and to emphasize parental responsibility for their children’s behavior. First Stop for Families provides immediate crisis intervention office based counseling and case management services designed to stabilize family functioning and provide referrals for long term wrap around services. Miami Bridge contracts with The Florida Network of Youth and Family Services, Inc., to provide Family Crisis Intervention Counseling Services.

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncement

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. The Organization has adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standard changes the following aspects of the Organization's financial statements:

- The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The financial statements include a new disclosure about liquidity and availability of resources.

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles in the United States of America.

Basis of Accounting and Presentation

Resources are classified for accounting and reporting purposes into three classes of net assets, according to externally imposed restrictions:

- Net assets without donor restrictions: The portion of the net assets of the Organization that can be used subject only to the broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws. In some cases, the use of these resources is also subject to limits resulting from contractual agreements with suppliers, creditors, and others entered into by the Organization in the course of its business. The Organization has the greatest ability to choose when using these resources.
- Net assets without donor restrictions generally result from contributions and support that are not subject to donor-imposed restrictions, and income from investing excess operating cash, reduced by expenses incurred in providing services, raising contributions, and performing administrative functions.
- Net assets with donor restrictions: The portion of the net assets of the Organization that is subject to either donor imposed time restrictions or donor-imposed purpose restrictions. These restrictions limit the Organization's choices when using these resources because the Organization has a fiduciary responsibility to its donors to follow the donor's instructions. Net assets with donor restrictions generally result from donor-restricted contributions.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires Miami Bridge's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, Miami Bridge considers demand deposits, money market accounts, investments acquired with original maturities of three months or less to be cash and cash equivalents.

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Miami Bridge capitalizes all property and equipment in excess of \$1,000. Miami Bridge's property and equipment, is recorded at cost. Donated items are recorded at fair value at date of donation. Depending on donor restrictions, donated plant assets are included in permanently restricted, temporarily restricted, or unrestricted net assets. In the absence of donor restriction, the contributions of property and equipment are reported as unrestricted support. Depreciation is computed using the straight-line method over the following estimated lives of assets:

Property and Equipment (Continued)

	<u>Years</u>
Building	30
Building improvements	10
Office furniture and equipment	5
Facility furniture and equipment	5
Transportation equipment	5

Property and equipment acquired with government grantor funds are capitalized. However, the government grantor agencies maintain a reversionary interest in such assets acquired with their funds, which includes the determination of use of any proceeds derived from the sale of those assets.

Deferred revenue

Miami Bridge is the recipient of cost reimbursement grant money. The revenue is recognized as the specified costs described in the grant agreements are incurred. Amounts collected in advance of incurring specified costs are reflected as deferred revenue.

Contributions

Miami Bridge records contributions in accordance with FASB ASC. Under FASB ASC, grants and contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Grant Revenue

Grant revenue is considered earned and is reported as unrestricted revenues when expenditures are incurred in compliance with specific grant requirements. Grants from governmental agencies, which are unit cost contracts, are recognized as revenue when the units of service are delivered. Grant revenues are recorded as unrestricted support in the accompanying statement of activities because the grant restrictions have been met in the reporting period. Accordingly, amounts collected in advance are deferred and reported as income in the month in which the services are rendered.

Donated Material and Services

Miami Bridge records donated materials at their estimated fair value at date of contribution.

Miami Bridge utilizes master and bachelor level Social Work and Mental Health Counseling interns for the benefit of its Non-Residential Counseling Services program, through agreements with Florida International University, Nova Southeastern University and Barry University. The agency has also recorded professional services rendered by partner agencies and other professional organizations. These services are recorded at estimated fair value of the professional services provided. In the year ended June 30, 2019 and 2018, Miami Bridge received program services of \$114,177 and \$120,811, respectively.

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Material and Services (continued)

A substantial number of volunteers donate significant amounts of their time to Miami Bridge’s programs primarily for routine services that do not require specialized skills. These services are not considered to create or enhance nonfinancial assets. Accordingly, no amounts have been recorded in the accompanying financial statements for these donated services.

Income Taxes

Miami Bridge is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded.

Miami Bridge has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, determine its filing and tax obligations, and to review other matters that may be considered tax positions. Management of Miami Bridge believes there are no uncertain tax positions.

The U.S. Federal jurisdiction is the major tax jurisdiction where Miami Bridge files income tax returns. Miami Bridge is generally no longer subject to U.S. Federal examinations by tax authorities for years before 2016.

Reclassifications

Certain balances reported in the financial statements for the year ended June 30, 2018, have been reclassified to conform to the presentation for the year ended June 30, 2019.

Functional Expenses

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

Subsequent Events

Miami Bridge has evaluated subsequent events through December 19, 2019, which is the date the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT, NET

Property and equipment at June 30, 2019 and 2018, is summarized as follows:

	2019	2018
Building	\$ 1,544,407	\$ 1,544,407
Building improvements	707,167	707,167
Office furniture and equipment	33,460	33,460
Facility furniture and equipment	208,427	206,374
Transportation equipment	154,437	98,994
	<u>2,647,898</u>	<u>2,590,402</u>
Less: Accumulated depreciation and amortization	<u>(1,995,926)</u>	<u>(1,852,094)</u>
Construction in progress	76,226	67,352
	<u>\$ 728,198</u>	<u>\$ 805,660</u>

Depreciation expense for the year ended June 30, 2019 and 2018 amounted to \$145,885 and \$145,532, respectively.

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 3 – PENSION PLAN

Miami Bridge sponsors a defined contribution retirement plan covering substantially all of its full-time employees. Contributions to the plan are calculated at 3% of an eligible employee’s gross pay. Employees become eligible for active plan participation after completing one year of service. Upon eligibility, all contributions made on behalf of an employee become fully vested. For the years ended June 30, 2019 and 2018, pension cost amounted to \$23,298 and \$35,829, respectively.

NOTE 4 – SHORT TERM DEBT

Miami Bridge has a \$200,000 revolving line of credit facility from TD Bank with interest stated at the Wall Street Journal prime rate, plus 1% payable monthly; the line of credit expires on September 26, 2019. There is no amount outstanding as at June 30, 2019.

NOTE 5 – CONCENTRATIONS AND CREDIT RISK

Miami Bridge is funded primarily through various annually renewable grants from the State of Florida Departments of Children and Families and Juvenile Justice and the U.S. Department of Health and Human Services. Any funding source may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of non-compliance by Miami Bridge with the terms of the grants or contracts.

Miami Bridge maintains cash balances at several financial institutions located in South Florida. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times cash balances may temporarily be in excess of the Federal Deposit Insurance Coverage insurance limit.

NOTE 6 – COMMITMENTS

Miami Bridge’s Miami facility was constructed on land made available by the City of Miami and the State of Florida through a twenty-year revocable permit issued by the City of Miami in June 1990. The permit is renewable when the original term expires. In October 2010, the lease was renewed for an initial term of seven years with an option to renew for two additional five year terms at the City of Miami’s discretion. The site is leased for \$500 per month from the City of Miami, which has a reversionary interest on the central facility property when the permit term expires.

The Homestead facility was constructed on land leased to Miami Bridge by the City of Homestead, Florida. The lease commenced on July 15, 1990 with a thirty-year term, an option to renew for an additional thirty years, and annual lease payments of \$2,500. On May 18, 2011, by resolution NO.R2011-05-42, the City of Homestead and Miami-Dade County agreed to an exchange of properties, placing the Homestead facility under the ownership of Miami-Dade County. The County will continue leasing to Miami Bridge under the terms of the Business Lease dated July 15, 1990.

Total future minimum lease payments due under the permit from the City of Miami, the lease with the City of Miami-Dade County and various other operating leases, are as follows.

Year	Minimum Lease Payment
2020	29,209
2021	29,209
2022	28,209
2023	25,209
2024	23,209
Total	<u>\$135,045</u>

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restricted net assets as of June 30, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
City of Homestead - CRA	\$ 9,155	\$ 9,155
Leadership Miami	7,772	7,772
	<u>\$ 16,927</u>	<u>\$ 16,927</u>

NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the balance sheet to fund expenses without limitations:

	<u>2019</u>	<u>2018</u>
Cash	\$ 1,013,241	\$ 980,251
Other receivables, net	314,960	290,108
	1,328,201	1,270,359
Less		
Donor imposed time or purpose restrictions	<u>16,927</u>	<u>16,927</u>
Financial assets available to meet cash needs for general expenditures within one year:	<u>\$ 1,311,274</u>	<u>\$ 1,253,432</u>

NOTE 9 – ASU 2016-14

The implementation of ASU 2016-14 required the following changes to net assets at June 30, 2019:

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted net assets	\$ 1,779,215	\$ -
Temporarily restricted net assets	33,854	-
Permanently restricted net assets	-	-
Net assets without donor restrictions	-	1,779,215
Net assets with donor restrictions	-	33,854
Total net assets	<u>\$ 1,813,069</u>	<u>\$ 1,813,069</u>

SUPPLEMENTARY INFORMATION

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2019

Grantor/Program/or Cluster Title	CFDA / CSFA Number	Grant Award Number	Expenditure
FEDERAL FINANCIAL ASSISTANCE			
Department of Health and Human Services			
<i>Pass-through State of Florida</i>			
<i>Department of Juvenile Justice</i>			
Foster Care Title IV-E	93.658	N/A	\$ 66,502
Department of Health and Human Services			
Family and Youth Services Bureau	93.623	N/A	196,142
Department of Agriculture			
<i>Pass-through State of Florida</i>			
<i>Department of Education</i>			
National School Lunch Program	10.555	N/A	32,115
TOTAL FEDERAL AWARDS			\$ 294,759
STATE FINANCIAL ASSISTANCE			
State of Florida Department of Juvenile Justice			
Children in Need of Service and			
Families in Need of Service	80.005	N/A	\$ 2,080,021
Domestic Violence Respite	80.005	N/A	65,712
TOTAL STATE FINANCIAL ASSISTANCE			\$ 2,145,733

See the accompanying note to the schedule of expenditures of federal awards and state of financial assistance.

MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the “Schedule”) includes the Federal and State of Florida grant activity of Miami Bridge Youth and Family Services, Inc. under programs of the federal and state government for the year ended June 30, 2019.

The information in this schedule is presented in accordance with the requirements of the Department of Financial Services Rules, Chapter 69I-5, Florida Administrative Code, *State Financial Assistance*. Because the Schedule presents only a selected portion of the operations of Miami Bridge, they are not intended to and do not present the financial position, changes in net assets, or cash flows of Miami Bridge.

NOTE 2 – SUMMARY OF SIGNICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Chapter 10.650, Rules of the Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



Verdeja • De Armas • Trujillo

Certified Public Accountants and Advisors

Manny Alvarez, C.P.A.
Monique Bustamante, C.P.A.
Pedro M. De Armas, C.P.A.
Eric E. Santa Maria, C.P.A.
Alejandro M. Trujillo, C.P.A.
Octavio A. Verdeja, C.P.A.
Tab Verdeja, C.P.A.

Michelle del Sol, C.P.A.
Tommy Trujillo, C.P.A.
Javier Verdeja, C.P.A.

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
Miami Bridge Youth and Family Services, Inc.

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 Miami Bridge Youth and Family Services, Inc. ("Miami Bridge") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 19, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Miami Bridge'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 Miami Bridge's internal control. Accordingly, we do not express an opinion on the effectiveness of Miami Bridge'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 Miami Bridge'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*.

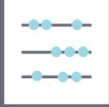
Purpose of Report

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

A handwritten signature in blue ink that reads "Verdya, De Armas, & Trujillo LLP".

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 19, 2019



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR STATE PROJECT AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

To the Board of Directors of
Miami Bridge Youth and Family Services, Inc.

Report on Compliance for Each Major State Project

We have audited Miami Bridge Youth and Family Services, Inc's ("Miami Bridge") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of Miami Bridge's major State projects for the year ended June 30, 2019. Miami Bridge's major State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal and State statutes, regulations, and the terms and conditions of its State projects applicable to its State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Miami Bridge's major State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.650, Rules of the Auditor General. Those standards, and Chapter 10.650, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Miami Bridge'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 on compliance for each major State project. However, our audit does not provide a legal determination of Miami Bridge's compliance.

Opinion on Each Major State Project

In our opinion, Miami Bridge Youth and Family Services, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State projects for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of Miami Bridge Youth and Family Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Miami Bridge's internal control over compliance with the types of requirements that could have a direct and material effect on each major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State project and to test and report on internal control over compliance in accordance with Chapter 10.650, Rules of the Auditor General, 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 Miami Bridge's internal control over compliance.

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 State project 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 State project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the type of compliance requirement of a State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 19, 2019

**MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
 STATE PROJECTS
 FOR THE YEAR ENDED JUNE 30, 2019**

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

State Projects

Type of auditor's report issued on compliance for major state projects: *Unmodified*

Internal control over major state projects:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 "Rules of the Auditor General?" yes no

Identification of major state projects:

Name of State Project	CSFA Number	Expenditures
Children in Need of Service and Families in Need of Service	80.005	\$2,145,733
Dollar threshold used to distinguish between type A and type B projects	\$300,000	
Auditee qualified as low-risk auditee?	N/A	

**MIAMI BRIDGE YOUTH AND FAMILY SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - STATE PROJECTS
FOR THE YEAR ENDED JUNE 30, 2019**

SECTION II – FINANCIAL STATEMENT FINDINGS

The audit disclosed no matters that are reportable for the current year.

SECTION III – FINDINGS AND QUESTIONED COSTS - STATE FINANCIAL ASSISTANCE PROJECTS

The audit disclosed no matters that are reportable for the current year.

SECTION IV – OTHER ISSUES

1. No management letter was issued for the year ended June 30, 2019.
2. A Summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to state projects.
3. A Corrective Action Plan is not required because there were no findings required to be reported under the *Department of Financial Services*' State Project Compliance Supplement.

**MIAMI BRIDGE YOUTH AND
FAMILY SERVICES, INC.**

MANAGEMENT LETTER

JUNE 30, 2019

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MANAGEMENT LETTER

Board of Directors
Miami Bridge Youth and Family Services, Inc.
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Miami Bridge Youth and Family Services, Inc. (the “Miami Bridge”) as of and for the fiscal year ended June 30, 2019, and have issued our report thereon dated December 19, 2019.

Auditor’s Responsibility

We conducted our audit in accordance with in the 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 the audit requirements of Chapter 10.650, Rules of the Auditor General.

Other Reports Requirements

We have issued our Independent Auditor’s Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors’ Report on Compliance for Each Major State Project and on Internal Control Over Compliance Required by Chapter 10.650, Rules of the Auditor General, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated December 19, 2019, should be considered in conjunction with this management letter.

Management Letter

In planning and performing our audit of the financial statements of Miami Bridge as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Miami Bridge’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Miami Bridge’s internal control. Accordingly, we do not express an opinion on the effectiveness of Miami Bridge’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 Miami Bridge's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the fourth paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

Additional Matters

Section 10.654(1)(e), Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or State project amounts that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of the Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, management, the Board of Directors, and others within Miami Bridge and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
December 19, 2019