

LE JARDIN COMMUNITY CENTER, INC.
HOMESTEAD, FLORIDA

FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION AND
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Le Jardin Community Center, Inc.
Homestead, Florida

Report on the Audit Financial Statements

Opinion

We have audited the accompanying financial statements of Le Jardin Community Center, Inc. (the "Organization"), (a non profit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary 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, shown on pages 14 and 15 as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 schedule of expenditures of federal awards 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 March 25, 2022 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 solely 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 the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
March 25, 2022

LE JARDIN COMMUNITY CENTER, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash	\$ 193,703
Grants receivable	512,512
Prepaid expenses and other assets	471,878
TOTAL CURRENT ASSETS	<u>1,178,093</u>

PROPERTY AND EQUIPMENT, net of accumulated depreciation
of \$2,899,840

5,526,905

TOTAL ASSETS

\$ 6,704,998

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 139,683
Accrued expenses	235,295
Deferred revenues	95,484
Line of credit	366,095
Current maturities of long-term debt	52,196
Loan payable -PPP	396,651
TOTAL CURRENT LIABILITIES	<u>1,285,404</u>

Long-term debt, less current maturities, net of
unamortized debt issuance cost of \$88,088

2,047,717

TOTAL LIABILITIES

3,333,121

NET ASSETS, without donor restrictions

3,371,877

TOTAL LIABILITIES AND NET ASSETS

\$ 6,704,998

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

LE JARDIN COMMUNITY CENTER, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

PUBLIC SUPPORT AND REVENUE

Federal, state and local grants	\$ 12,315,201
Donated services and materials	677,746
Miscellaneous revenue	26,998
TOTAL PUBLIC SUPPORT AND REVENUE	<u>13,019,945</u>

EXPENSES

Child care, program service	10,840,326
Management and general, supporting service	1,614,681
TOTAL EXPENSES	<u>12,455,007</u>

CHANGE IN NET ASSETS 564,938

Net assets, without donor restrictions:

Beginning	<u>2,806,939</u>
Ending	<u>\$ 3,371,877</u>

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

LE JARDIN COMMUNITY CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>PROGRAM</u>	<u>SUPPORTING</u>	
	<u>CHILD</u>	<u>MANAGEMENT</u>	
	<u>CARE</u>	<u>AND GENERAL</u>	<u>TOTAL</u>
SALARIES AND RELATED BENEFITS			
Salaries	\$ 6,035,884	\$ 1,030,571	\$ 7,066,455
Employee benefits	709,337	121,222	830,559
Payroll taxes	488,961	74,305	563,266
TOTAL SALARIES AND RELATED BENEFITS	7,234,182	1,226,098	8,460,280
OTHER EXPENSES			
Professional fees	353,261	146,563	499,824
Professional services - inkind	369,629	-	369,629
Rent	300,839	106,956	407,795
Building repairs and maintenance	191,567	32,780	224,347
Food	723,204	-	723,204
Classroom supplies and trips	257,756	-	257,756
Classroom supplies - inkind	304,118	-	304,118
Other supplies	21,338	20,039	41,377
Utilities	292,699	27,965	320,664
Conference and meetings	68,353	10,439	78,792
Membership and licensing	13,095	1,983	15,078
Insurance	131,407	8,911	140,318
Miscellaneous	8,892	3,625	12,517
Interest and amortized debt issuance costs	134,196	27,307	161,503
Office expenses	4,236	1,040	5,276
Janitorial services and supplies	120,348	940	121,288
Travel	8,202	35	8,237
TOTAL EXPENSES BEFORE DEPRECIATION	10,537,322	1,614,681	12,152,003
Depreciation	303,004	-	303,004
TOTAL EXPENSES AFTER DEPRECIATION	<u>\$ 10,840,326</u>	<u>\$ 1,614,681</u>	<u>\$ 12,455,007</u>

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

LE JARDIN COMMUNITY CENTER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 564,938
Adjustment to reconcile changes in net cash provided by operating activities:	
Depreciation	303,004
Changes in Assets:	
Decrease in grants receivable	162,681
Decrease prepaid expenses and other assets	8,471
Changes in Liabilities:	
Decrease in accounts payable	(19,821)
Increase in accrued expenses	59,386
Increase in deferred revenues	21,408
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,100,067</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Net purchases of fixed assets	(722,405)
NET CASH USED IN INVESTING ACTIVITIES	<u>(722,405)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Net Payments on long-term debt, including debt issuance cost interest expense	(33,199)
Net Proceeds on line of credit, net	34,683
Net Payment on loan payable -PPP	(582,046)
NET CASH USED IN FINANCING ACTIVITIES	<u>(580,562)</u>
NET DECREASE IN CASH:	(202,900)
CASH:	
Beginning	396,603
Ending	<u>\$ 193,703</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid for interest	<u>\$ 145,206</u>

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

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Le Jardin Community Center, Inc. (the "Organization") is a private non-profit Florida organization, dedicated to providing high quality educational and social services to low-income families in the South Dade Community. The Organization focuses on providing high caliber, multicultural, early childhood development education; from the ages of six weeks to five years and pregnant women.

A summary of the Organization's significant accounting policies follows:

Basis of Accounting and Presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") promulgated by the Financial Accounting Standards Board Accounting Standards Codification ("ASC"). Consequently, the Organization's resources are classified and reported in the accompanying financial statements as separate classes of net assets based on the existence or absence of donor-imposed restrictions as follows:

Net assets without donor restriction – include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transactions (except income and gains on assets that are restricted by donors or by law) are included in the net assets without donor restriction class.

Net assets with donor restriction – include those net assets whose use by the Organization has been limited by donor imposed stipulations that either expire by the passage of time or can be fulfilled by expending the funds for their restricted purpose. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with the investment return available for operations. There are no net assets with donor restriction as of December 31, 2021.

Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

The Organization receives various grants and contracts from federal, state, and local agencies for program and supporting service expenses. These grants and contracts are on a cost reimbursement basis or fee for service, including recoverable overhead. Federal, state, and local funds are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific grant or contract provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position. At December 31, 2021, the Organization had \$95,484 in deferred revenue.

Cash

The Organization maintains its cash in bank deposit accounts with a financial institution which, at times, may exceed federally-insured limits. The Organization has not experienced any losses and believes it is not exposed to any significant risk with respect to cash.

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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

Revenue Concentration

The Organization receives approximately 84% of its annual revenue from the Miami-Dade County Community Action and the Human Services Head Start/Early Head Start Programs, which are federally funded.

Donated Services and Material

Donated services are recognized as contributions in accordance with FASB ASC, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have been purchased. During the year, many individuals and businesses donated materials and services to the Organization. The value of these goods and services is reflected in the financial statements at the estimated fair market value at the date of receipt. Additionally, many individuals volunteered their time to perform a variety of tasks. The value of these services is not required to be included for financial statement purposes.

Property and Equipment

Property and equipment is stated at cost or, if donated, at fair value at the date of donation. Depreciation is computed by the straight-line basis over the estimated useful lives of the assets:

	<u>Years</u>
Building and Improvements	15-40
Furniture and Equipment	5-15
Vehicles	5

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, rent, building repairs and maintenance, utilities, insurance, and interest. Salaries and benefits are allocated on the basis of estimates of time and efforts. Other costs are allocated based on square footage/usage of space.

Income Taxes

The Organization is exempt from income tax under Section 501(c) (3) of the Internal Revenue Code and therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 (b) (1) (A) and has been classified as an organization other than a private foundation under Section 509 (a) (2).

There are no reserves held for uncertain tax positions at December 31, 2021. Tax years that are open under the statute of limitations remain subject to examination by the IRS. The Organization is generally no longer subject to U.S. Federal or State examinations by tax authorities for years before 2019.

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 2 – PROPERTY AND EQUIPMENT, NET

Property and equipment as of December 31, 2021 consists of the following:

	<u>2021</u>
Land	\$ 593,609
Building and Improvements	5,623,349
Furniture and Equipment	1,260,025
Security System	88,689
Vehicles	47,900
Construction in progress	813,173
	<u>8,426,745</u>
Less Accumulated Depreciation	<u>(2,899,840)</u>
Property and equipment, net	<u>\$ 5,526,905</u>

As of December 31, 2021 depreciation expense was \$303,004.

As a condition of the grants, the Organization has no authority over the disposition of these assets and must receive permission from the grantor prior to selling or disposing of any of these assets.

Subsequent to year-end the Organization purchased a property for center #9 in the amount of \$2,100,000.

NOTE 3 – SUPPORT FROM OUTSIDE AGENCIES/ECONOMIC DEPENDENCE/CONTINGENCY

The Organization receives approximately 95% of its total revenues from government funding and other granting agencies. Should any agency significantly reduce its level of contribution, it would have a substantial effect on the Organization’s ability to provide services at the current level of operations. These grants require fulfillment of certain conditions and are periodically audited by the grantor to monitor compliance with the terms of the contract. Failure to fulfill the conditions of the agreements could result in the loss of funding and/or return of amounts previously received. No provision has been made in the accompanying financial statements for this uncertain future event.

NOTE 4 – LONG-TERM DEBT

On May 28, 2019, the Organization obtained a loan for an amount of \$2,310,000, interest at 5.25%, collateralized by substantially all of the Organization’s fixed assets. The loan must be paid in monthly installments of principal and interest of \$13,950, beginning June 28, 2019. The loan matures on May 28, 2029. At December 31, 2021, the outstanding balance on this loan was \$2,188,001.

Under the terms of the loan agreements, the Organization is subject to a number of affirmative and negative covenants that must be complied with on a continuous basis.

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 4 – LONG-TERM DEBT (Continued)

Long-term debt at December 31, 2021 consisted of the following:

Long-term debt payable, payable in monthly installments of \$13,950, (5.25% interest at December 31, 2021), due May 28, 2030.	\$ 2,188,001
Less: Unamortized debt issuance costs	<u>(88,088)</u>
Long-term debt, less unamortized debt issuance costs	2,099,913
Less: Current portion	<u>(52,196)</u>
Total long-term debt, less current portion	<u><u>\$ 2,047,717</u></u>

The principal payments under the above long term debt agreements through maturity are as follows:

Fiscal years ending December 31,	
2022	\$ 52,196
2023	55,042
2024	57,730
2025	61,194
Thereafter	<u>1,961,839</u>
	2,188,001
Less: Unamortized debt issuance cost	<u>(88,088)</u>
	<u><u>\$ 2,099,913</u></u>

The Organization presents debt issuance costs as a reduction of the carrying amount of the debt rather than as an asset. Amortization of the debt issuance costs is reported as interest expense in the functional expense schedule. Interest expense related to debt issuance costs was \$16,297 and included in interest expense on the functional expense schedule for the year ended December 31, 2021.

For the year ended December 31, 2021, total interest expense paid on all long-term debt was approximately \$118,000.

Loan Payable-PPP

On April 21, 2020, the Organization received loan proceeds in the amount of \$1,189,200 under the Paycheck Protection Program (“PPP”). Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the PPP provides for loans to qualifying organizations in amounts up to 2.5 times the organization’s average monthly payroll expenses. PPP loans and accrued interest are forgivable after a “covered period” (eight or 24 weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 1%, with a deferral of payments for 10 months after the end of the covered period.

The Organization used and recognized \$210,503 of the PPP loan proceeds in the prior year as government grant revenue. This amount was forgiven in May 25, 2021. The remainder of the loan payable of \$978,697 was classified as loan payable –PPP.

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 4 – LONG-TERM DEBT (Continued)

Loan Payable-PPP (Continued)

For the year ended December 31, 2021 the remaining balance on the loan was \$396,651. The loan maturity date is April 21, 2022 and management expects to pay off the PPP loan balance in full.

NOTE 5 – LINE OF CREDIT

The Organization refinanced its previous line of credit on May 28, 2019 with a different financial institution. The line of credit for \$600,000 bears interest at 4.25%. Interest is payable in monthly interest only payments with the entire principal balance and all accrued interest payable in full at maturity on May 28, 2021. The line of credit may be renewed annually. The amount outstanding on the line of credit was \$366,095 at December 31, 2021. Interest expense paid during the year on this line of credit was approximately \$27,300.

NOTE 6 – COMMITMENTS/CONTINGENCIES

The Organization has a lease agreement for the use of facilities and a vacant parcel of land. Lease payments are paid monthly. In June 1, 2021 the Organization entered into a lease agreement with the city of Homestead. The lease expires on May 31, 2026. In addition, the Organization has several month to month leases.

The minimum rental commitments under the operating leases approximate the following:

Fiscal years ending December 31,	
2022	\$ 266,554
2023	231,852
2024	238,741
2025	253,147
There after	<u>107,679</u>
Total	<u>\$ 1,097,973</u>

The Organization's rent expense was approximately \$408,000 for the year ended December 31, 2021.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has \$706,215 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of cash of \$193,703 and grants receivable of \$512,512. None of these available financial assets are subject to donor restrictions. However, these available financial assets are committed to specific grant programs and or repayment of loan payable-PPP. The Organization monitors its liquidity in the efforts to meet its operating needs and other contractual commitments while maximizing the investment of any excess operating cash. To manage liquidity, the Organization maintains a line of credit of up to \$600,000 with a financial institution that is drawn upon if needed during the year to manage cash flows (see Note 5).

NOTE 8 – PENSION PLAN

The Organization has a defined contribution pension plan covering all full-time employees who meet the one year employment requirement. The contribution amount is at management's discretion based on availability of funds. The Organization contributed for the year ended December 31, 2021 an amount equal to 7% of the eligible employee's base salary into the plan. Contributions to the Plan were \$340,166 for the year ended December 31, 2021.

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 9 – IN-KIND DONATIONS

It is the policy of the Organization to record contributed supplies and materials as contributions at their estimated values at date of receipt, when determinable. In addition, donated services are recognized at fair value, only if the service creates or enhances a non-financial asset, would typically have to be purchased, and or requires a special skill. As of December 31, 2021 total in-kind donations consisted of \$677,746.

NOTE 10 – MATCHING REQUIREMENTS

The Organization has various dates in 2021 to meet the in-kind matching requirements as stated in the Head Start/Early Head Start Grant. The Head Start/Early Head Start contract requires the Organization to provide non-federal resources in an amount equivalent to twenty percent (20%) of the total federal allocation. The non-federal resources may be in cash and/or in-kind but may not be from other federal sources. At December 31, 2021, the Organization has met the matching requirements.

NOTE 11 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 25, 2022, which is the date the financial statements were available to be issued. (See Note 2).

NOTE 12 – COVID -19

The World Health Organization (“WHO”) declared the coronavirus (COVID-19), a global pandemic and public health emergency. At this point, the Organization cannot reasonably estimate the extent to which this disruption may continue to impact the Organization’s financial statements and future results of operations.

SUPPLEMENTARY INFORMATION

LE JARDIN COMMUNITY CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR, PASS-THROUGH GRANTOR FEDERAL PROGRAM	GRANT PERIOD	CFDA NO.	GRANT / CONTRACT NO.	EXPENDITURES
U.S. Department of Health and Human Services:				
Early Head Start Program COVID	9/1/2020-8/31/2021	93.600	04HP000067-03C	\$ 85,691
Early Head Start Program	9/1/2020-8/31/2021	93.600	04HP000067-04	1,759,927
Early Head Start Program	9/1/2021-8/31/2022	93.600	04HP000499-01	664,025
Early Head Start Program COVID	3/1/2020-2/28/2021	93.600	04HP000167-02C	13,935
Early Head Start Program	3/1/2020-2/28/2021	93.600	04HP000167-02	503,258
Early Head Start Program	3/1/2021-2/28/2022	93.600	04HP000167-03	2,286,028
Early Head Start Program	3/1/2021-8/31/2022	93.600	04HP000442-01	1,756,314
Early Head Start Program COVID	4/1/2021-3/31/2023	93.600	04HE001243	91,000
Early Head Start Program American Rescue Plan	4/1/2021-3/31/2023	93.600	04HE001243	205,020
Pass through program from the Miami-Dade County Community Action & Human Services Department				
Head Start Program	8/1/21-7/31/22	93.600	04CH012096-01-001	1,451,229
Head Start Program	8/1/20-7/31/21	93.600	04CH010192-06-001	2,128,800
Head Start Program COVID	4/01/21-3/31/23	93.600	04HE000544	(40,456)
Head Start Program American Rescue Plan	4/01/21-3/31/23	93.600	04HE000544	<u>6,871</u>
Total U.S. Department of Health and Human Services				<u>\$ 10,911,642</u>
U.S. Department of Agriculture:				
Pass through from the State of Florida Department of Health				
U.S.D.A. Child Care Food Program	10/1/20-9/30/21	10.558	S-435	\$ 486,833
U.S.D.A. Child Care Food Program	10/1/21-9/30/22	10.558	S-435	216,273
U.S.D.A. Child Care Food Program COVID	10/1/21-9/30/22	10.558	S-435	<u>89,801</u>
Total U.S. Department of Agriculture				<u>\$ 792,907</u>
Total Expenditures of Federal Awards				<u>\$ 11,704,549</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

LE JARDIN COMMUNITY CENTER, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal awards of Le Jardin Community Center, Inc. for the year ended December 31, 2021. This information in the schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The Organization has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



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*

The Board of Directors of
Le Jardin Community Center, Inc.
Homestead, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Le Jardin Community Center, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2021, 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 March 25, 2022.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Veedy-DeArman Turpille".

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
March 25, 2022



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**

The Board of Directors of
Le Jardin Community Center, Inc.
Homestead, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Le Jardin Community Center, Inc.’s (the “Organization”) compliance with the types of compliance requirements identified as subject to audit in the *OMB 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, 2021. The Organization’s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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 federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
March 25, 2022

**LE JARDIN COMMUNITY CENTER, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FEDERAL AWARDS PROGRAMS
 FOR THE YEAR ENDED DECEMBER 31, 2021**

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 deficiencies identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

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

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance yes no

Identification of major federal programs

Federal Program	CFDA Number	Expenditures
Head Start/Early Head Start Programs	93.600	\$10,911,642
U.S.D.A Child Care Food Program	10.558	\$792,907

**LE JARDIN COMMUNITY CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS PROGRAMS
FOR THE YEAR ENDED DECEMBER 31, 2021**

SECTION I - SUMMARY OF AUDITOR'S RESULTS (Continued)

Dollar threshold used to distinguish between type A and type B federal programs: \$ 750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? X yes no

SECTION II - FINDINGS - FINANCIAL STATEMENTS

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

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAMS

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

SECTION IV - OTHER ISSUES

1. No management letter was issued.
2. No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal awards programs.
3. No Corrective Action Plan is required because there were no findings required to be reported under the Uniform Guidance.