

**URBAN LEAGUE OF  
PALM BEACH COUNTY, INC**

FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021  
TOGETHER WITH REPORT OF INDEPENDENT ACCOUNTANT

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Urban League of Palm Beach County, Inc.

### **Report on the Financial Statements**

I have audited the accompanying financial statements of Urban League of Palm Beach County, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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.

### **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 misstatements, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Urban League of Palm Beach County, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Other Information

My 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, 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 State of America. In my 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*, I have also issued my report dated November 5, 2021, on my consideration of Urban League of Palm Beach County, Inc.'s internal control over financial reporting and on my 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 my 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 Urban League of Palm Beach County, Inc.'s internal control over financial reporting and compliance.

*William Washington, CPA*

West Palm Beach, FL  
November 5, 2021

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**

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**WITHOUT DONOR  
RESTRICTIONS**

**ASSETS**

Cash & Cash Equivalents	\$ 984,929
Grants & Other Receivable	293,729
Due from Other Organization	10,733
Prepaid Expenses	42,344
Deposits	7,052
Building, Land & Equipment - Net	<u>439,735</u>
<b>Total Assets</b>	<b><u>\$ 1,778,522</u></b>

**LIABILITIES**

Accounts Payable	67,755
Accrued Expenses	80,079
Deferred Revenue	<u>223,727</u>
Total Liabilities	<u>371,561</u>

**NET ASSETS, WITHOUT DONOR RESTRICTIONS** 1,406,961

Liabilities &  
Net Assets **\$ 1,778,522**

Read Accompanying Notes

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

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	<b><u>WITHOUT DONOR RESTRICTIONS</u></b>
<b>SUPPORT &amp; REVENUE</b>	
Grants & Contracts	\$ 4,143,079
Contributions	852,326
Donated Materials & Services	97,300
Other	423,693
Total Revenue	<u>5,516,398</u>
 <b>EXPENSES</b>	
<b>Youth Program Services</b>	1,378,109
<b>Other Program Services</b>	<u>2,826,476</u>
Total Program Services	<u>4,204,585</u>
<b>Support Services</b>	
General & Administrative	450,694
Fund Raising	<u>159,219</u>
Total Support Services	<u>609,913</u>
Total Expenses	<u>4,814,498</u>
 <b>CHANGE IN NET ASSETS</b>	 <u>701,900</u>
 <b>BEGINNING NET ASSETS</b>	 <u>705,061</u>
 <b>ENDING NET ASSETS, WITHOUT DONOR RESTRICTIONS</b>	 <u>\$ 1,406,961</u>

Read Accompanying Notes

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**OPERATING ACTIVITIES:**

Change in Net Assets	\$ 701,900
Adjustment to Reconcile Increase in Net Assets to Net Cash Provided by ( Used in ) Operating Activities:	
Depreciation	22,515
Changes in Operating Assets and Liabilities:	
Grants and Contract Receivable	74,427
Due from Other Organization	(2,952)
Deposits	(1,499)
Other	3,813
Prepaid Expenses	1,240
Deferred Revenue	(308,435)
Accrued Expenses	39,722
Accounts Payable	61,999
Net Cash Provided by ( Used in ) Operating Activities	592,730

**INVESTING ACTIVITIES:**

Net Cash Used by Investing Activities	-
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**FINANCING ACTIVITIES:**

Note Payable (PPP Forgiveness)	(417,847)
Net Cash Provided by Financing Activities	(417,847)

Increase in Cash	174,883
Cash at Beginning of Year	810,046
Cash at End of Year	\$ 984,929
 Interest Paid	 \$ -

Read Accompanying Notes

<b><u>EXPENSES</u></b>	<b><u>Youth Programs</u></b>	<b><u>Other Programs</u></b>	<b><u>General &amp; Admin</u></b>	<b><u>Fund Raising</u></b>	<b><u>Total</u></b>
Auto Expense	\$ 4,500		\$ 4,163		\$ 8,663
Depreciation	11,258	\$ 7,237	3,216	\$ 804	22,515
Dues & Subscriptions	707	232	6,183	973	8,095
Development				37,415	37,415
Insurance	19,722	12,679	5,635	1,409	39,445
In-Kind Expense		97,300			97,300
Office Supplies & Expenses	7,537	1,406	16,367	1,800	27,110
Outside Services	8,800	6,414	2,662	529	18,405
Professional Fees	8,931	13,018	13,203	593	35,745
Program	243,204	2,068,087			2,311,291
Repairs & Maintenance	27,399	17,614	7,828	1,957	54,798
Salary & Wages	1,005,637	576,509	379,890	110,852	2,072,888
Telephone & Internet	25,463	16,369	7,275	1,819	50,926
Utilities	14,951	9,611	4,272	1,068	29,902
<b>Total Expenses</b>	<b><u>\$ 1,378,109</u></b>	<b><u>\$ 2,826,476</u></b>	<b><u>\$ 450,694</u></b>	<b><u>\$ 159,219</u></b>	<b><u>\$ 4,814,498</u></b>

Read Accompanying Notes



**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**1. General Description of Activities and Significant Accounting Policies:**

The Urban League of Palm Beach County, Inc. (the "Organization") is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code.

The Organization was established in 1974 under the laws of the State of Florida as a nonprofit community organization to promote economic, educational, charitable, and social services for people disadvantaged by reason of race, color, or national origin in Palm Beach County.

The Organization offers stellar programs in the areas of youth empowerment, economic empowerment, and community empowerment. These programs promote housing, jobs, education and career training and placement.

The significant accounting policies that follow are presented to enhance the usefulness of the financial statements to the reader.

**Basis of Accounting**

The financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses recorded when incurred.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Promises to Give**

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**1. General Description of Activities and Significant Accounting Policies, Continued:**

**Property and Equipment**

The Organization capitalizes property and equipment over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as without donor restriction contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as with donor restriction contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies with donor restriction net assets to without donor restriction net assets at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty years.

**Contributions**

Contributions received are recorded as with donor restriction or without donor restriction net assets depending on the existence or nature of any donor restrictions.

**Contributed Services**

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

**Income Taxes**

The Organization is a not-for-profit Organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**1. General Description of Activities and Significant Accounting Policies, Continued:**

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy, depreciation, insurance and interest, which are allocated on the basis of estimates of time and effort.

**2. Revenue Recognition**

The Organization recognizes revenue from grants and contracts when earned and other revenues and contributions when received, and expenses are recorded when incurred. Pledges or promises to give that are, in substance, unconditional are considered a basis for recording future revenue.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**3. Grants & Other Receivables:**

The Organization receives financial assistance from federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under those programs generally require compliance with terms and conditions specified in the grant agreements, and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Organization. However, in the opinion of management, such disallowance of claims, if any, would not have a material effect on the overall financial position of the Organization at June 30, 2021. Receivables from contracts with customers are reported as accounts receivable, net in the accompanying statement of financial position. Unearned contract advances are reported as deferred revenue in the accompanying statement of financial position.

Grants and contracts receivable represent program expenses incurred for which payment was not received by the Organization as of June 30, 2021. Other receivables consist of pledges from corporate and individual donors. Management believes that all receivables are collectible; therefore, the Organization has not included a provision for uncollectible accounts. Any accounts deemed uncollectible are charged to expense when the determination is made. At June 30, 2021, the Organization has \$293,729 in grants and other receivables.

**4. Summary of Fixed Assets and Depreciation**

Autos & Trucks	\$ 91,113
Buildings	662,505
Land	104,017
Computers & Equipment	90,433
Furniture & Fixtures	<u>62,012</u>
	1,010,080
Accumulated Depreciation	<u>(570,345)</u>
	<u>\$ 439,735</u>

**5. Compensated Absences:**

Employees receive annual leave based upon length of employment. Annual leave may not be accumulated, and accordingly, no liability for compensated absences.

**6. Related Party:**

The Organization received \$2,086,000 from National Urban League for services performed under a multiple grant agreement which is included in grants and contributions.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**7. Financial Instruments and Credit Risk:**

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, we have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies, and foundations supportive of our mission.

**8. Line of Credit:**

The Organization has a revolving line of credit of \$350,000. The line bears a floating interest rate and is payable monthly. The line is secured by property, equipment, and grants and contracts receivable. There is no balance outstanding at June 30, 2021

**9. Forgivable Loan from Small Business Administration**

The Organization received a forgivable loan under the Small Business Administration Paycheck Protection Program. The SBA forgave \$417,847 during the year.

**10. Employee Retirement Plan:**

The Organization offers retirement plans to its employees and makes matching contributions. Retirement contributions for the year are \$39,831.

**11. Concentration of Risks**

The Organization is dependent on funding from state and local governments and various other contributors. The amount of contributions is dependent on the funds available and the budgets at the state and local levels. Lack of funding could have a significant detrimental effect on the continued operations of the Organization.

**12. Date of Management Review:**

Subsequent events have been evaluated through November 5, 2021, which is the date the financial statements were available for issued.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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**13. Availability and Liquidity**

The following represents the Organization's financial assets at June 30, 2021:

Financial assets at year-end:	
Cash and cash equivalents	\$984,929
Grants and other receivables	293,729
Prepaid expenses	<u>42,344</u>
Financial assets available to meet general expenditures over the next twelve months	\$1,321,002

The goal is generally to maintain financial assets to meet 60 days of operating expenses (approximately \$525,000). As part of its liquidity plan, the Organization has a \$350,000 line of credit available to meet cash flow needs.

**14. Contingent Debt:**

The Organization is a co-borrower with a nonprofit entity which is considered a related party because of common management. The loan is \$650,000, 5.6% simple interest, with maturity on December 3, 2021, secured by real estate, payable in monthly payments of \$4,559. The Organization expects that the related party will repay the loan and no liability is recorded in the financial statements of the Organization. The balance of the loan is \$432,017 at June 30, 2021.

**15. Contingent**

As a result of COVID-19, economic uncertainties have risen though such potential impact is unknown at this time.

**15. Donated Professional Services and Materials**

The Organization received in-kind donated professional services and materials during the year ended June 30, 2021, of \$97,300 for program services related to our senior jobs program. Such amounts, which are based upon information provided by third-party service providers, are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and program services on the accompanying statements of activities and statements of functional expenses.



**William Washington**  
Certified Public Accountant

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Directors  
Urban League of Palm Beach County, Inc.  
West Palm Beach, FL

I have audited, 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, the financial statements of Urban League of Palm Beach County, Inc. ("UL") (a nonprofit organization), which comprise the statement of financial position as of June 30, 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 my report thereon dated November 5, 2021.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered UL's internal control over financial reporting (internal control) to determine my audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UL's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I 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 UL's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UL's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering UL's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*William Washington, CPA*

West Palm Beach, FL  
November 5, 2021





**William Washington**  
Certified Public Accountant

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

To the Board of Directors  
Urban League of Palm Beach County, Inc.  
West Palm Beach, FL

**Report on Compliance for Each Major Federal Program**

I have audited Urban League of Palm Beach County, Inc. (UL)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of UL's major federal programs for the year ended June 30, 2021. UL's major federal programs 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 statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

My responsibility is to express an opinion on compliance for each of UL's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about UL's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of UL's compliance.

## ***Opinion on Each Major Federal Program***

In my opinion, UL 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 June 30, 2021.

## **Report on Internal Control over Compliance**

Management of UL is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered UL's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of UL'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 federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *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.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my 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.

*William Washington, CPA*

West Palm Beach, FL  
November 5, 2021

**Urban League of Palm Beach County, Inc.**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2021**

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Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U. S. Department of Labor Pass through National Urban League The Urban Seniors Jobs Program	17.235		\$ 1,807,373
U. S. Department of Justice	16.726		58,167
U. S. Department of Housing and Urban Development	14.169		54,559
U. S. Department of Health and Human Services	93.118		5,250
Pass through Palm Beach County Community Development Block Grant	14.218		22,227
Total			<u>\$ 1,947,576</u>

See accompanying notes to schedule of expenditures.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2021**

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**NOTE 1—BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Organization under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 US. 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 selected 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**

- (a) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles *Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (b) Pass-through entity identifying numbers are presented where available.
- (c) The Organization did elect to use the 10 percent de minimis indirect cost rate.

**URBAN LEAGUE OF PALM BEACH COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2021**

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**Section A-SUMMARY OF AUDITOR'S RESULTS**

- (a) The auditor's report expresses an unmodified opinion on the financial statements of UL.
- (b) No material weaknesses relating to the audit of the financial statements are reported in the 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. No significant deficiencies were reported.
- (c) No instances on noncompliance material to the financial statements of UL were disclosed during the audit.
- (d) No material weaknesses relating to the audit of the major federal program are reported in the independent auditor's report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No significant deficiencies were reported.
- (e) The independent auditor's report on compliance for each major federal program for UL expresses an unmodified opinion.
- (f) No audit findings relative to the major federal program for UL are reported in this schedule.
- (g) The program tested as a major program is U.S. Department of Labor, Urban Senior Jobs CFDA 17.235.
- (h) The threshold used for distinguishing between Type A and B programs was \$750,000.
- (i) The UL was determined to be a low-risk auditee.

**Section B-FINDINGS---FINANCIAL STATEMENT AUDIT**

No material weakness was identified during the audit of the financial statements nor was any instances of noncompliance material to the financial statements of UL during the audit.

**Section C-FINDINGS AND QUESTIONED COSTS---MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None noted.

**Section D** No prior audit finding for federal programs. No corrective action plan is required.

**Section E** No prior year financial statement findings.