

LATIN AMERICAN YOUTH CENTER

GRANT AUDIT
November 2015

OFFICE OF AUDITS AND INVESTIGATIONS
Prince George's County
Upper Marlboro, Maryland



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations

November 2015

The County Council and County Executive
of Prince George's County, Maryland

Council Resolution 51-1991, adopted June 25, 1991, requires the Office of Audits and Investigations to perform random financial audits of grants and transfer payments appropriated in the Non-Departmental section of the County's Approved Annual Current Expense Budget.

We have examined the books and records of

LATIN AMERICAN YOUTH CENTER,

for the period July 1, 2013, through June 30, 2014. Our examination included such tests of the accounting records and such other auditing procedures, as we considered necessary under the circumstances.

We noted no matters involving the Prince George's County grant to the Latin American Youth Center that led us to believe that the County grant funds were used for other than their intended purpose.

This report, in our opinion, fulfills the requirements of Council Resolution 51-1991 to perform random financial audits of grants and transfer payments made pursuant to the Non-Departmental section of the Prince George's County, Maryland, Fiscal Year 2014 Approved Operating Budget.

A handwritten signature in blue ink, appearing to read "D. H. Van Dyke".

David H. Van Dyke, CPA
County Auditor

A handwritten signature in blue ink, appearing to read "Natalie M. Beckwith, MPA".

Natalie M. Beckwith, MPA
Auditor-In-Charge

Latin American Youth Center

The Prince George's County Government awarded the Latin American Youth Center, (LAYC) two grants totaling \$180,000 in fiscal year 2014. These awards were issued in August 2013 (\$80,000), and March 2014 (\$100,000). This funding was to be used to support LAYC's core program initiatives.

The Latin American Youth Center is an incorporated 501(c) (3) non-profit organization founded in 1974. LAYC is a self-supported organization that receives funds from grants and fundraising activities. The LAYC mission is to empower a diverse population of youth to achieve a successful transition to adulthood through multi-cultural, comprehensive, and innovative programs that address youths' social, academic, and career needs.

LAYC is strategically located in various schools and other sites in and around the Washington, D.C. metropolitan area to support its many program initiatives; however its anchor site is located at 1419 Columbia Road NW, Washington, D.C. The LAYC currently provides services to its target population in the following core areas; conflict resolution, job readiness, leadership, and academic empowerment. Included in these core services are afterschool and summer programs, pre-GED and GED classes, job readiness training, gang prevention, case management, and counseling services. During the period of October 2013 to September 2014, LAYC served a population totaling 4,117, made up primarily of Latinos (55%) or African Americans (36%). Of the total population served, 21% resided in Prince George's County.

We examined the books and records maintained by the LAYC and included tests of the accounting records and other auditing procedures, as we determined necessary. Consideration was given to the fact that the records of the organization were reviewed and included in the

scope of the financial audit conducted by SB & Company, LLC, Independent Auditors for the periods ending September 30, 2013, and September 30, 2014, and no material discrepancies or irregularities were disclosed. Our examination included a review of expenditures and supporting documentation to ensure that payment amounts were properly approved and corresponded to related invoices. We noted no instances that led us to believe that County grant funds were used for other than their intended purpose.

LAYC operates and reports on a fiscal year ending on September 30th, however our examination was conducted on a fiscal year consistent with County operations (ending June 30th). For report purposes, the attached Statement of Revenues and Expenditures, as audited by their independent auditors, will be presented on a fiscal year consistent with LAYC's operations. The Statement of Revenues and Expenditures shows the activities of the organization for the periods ending September 30, 2013, and September 30, 2014. LAYC received County funding corresponding with their fiscal year ending September 2013 and 2014 in the amounts of \$80,000 and \$100,000, respectively.

THE LATIN AMERICAN YOUTH CENTER
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE PERIODS ENDING
SEPTEMBER 30, 2013 AND SEPTEMBER 30, 2014
(ACCRUAL BASIS)

| REVENUES: | 2013 | 2014 |
|---|----------------------|----------------------|
| County Grant Payments | \$ 80,000 | \$ 100,000 |
| Foundation and Other Grants | 1,691,760 | 1,647,852 |
| Governmental Grants | 8,334,560 | 9,217,924 |
| Contributions | 743,094 | 349,964 |
| Rental Income | 295,297 | 313,606 |
| Management Fee | 382,045 | 277,976 |
| Special Events | 475,464 | 599,046 |
| Other | 76,515 | 34,035 |
| Net assets released from restriction | 260,507 | 531,677 |
| Total Revenues | \$ 12,339,242 | \$ 13,072,080 |
| <hr/> | | |
| EXPENDITURES : | | |
| Salaries & Fringe Benefits | \$ 7,990,305 | \$ 8,308,771 |
| Occupancy | 681,592 | 832,357 |
| Client Services | 850,443 | 1,156,910 |
| Trainings | 69,338 | 56,514 |
| Supplies | 269,398 | 261,034 |
| Professional & Contractual | 1,165,994 | 1,354,092 |
| Printing | 4,796 | 7,787 |
| Rental & Maintenance | 80,479 | 58,359 |
| Insurance | 182,177 | 173,116 |
| Communications | 185,010 | 228,354 |
| Travel & Transportation | 105,583 | 198,838 |
| Depreciation | 377,539 | 338,823 |
| Uncollectable Receivables | 33,641 | 24,253 |
| Interest | 474,150 | 295,412 |
| Other | 579,378 | 493,662 |
| Total Expenditures | \$ 13,049,823 | \$ 13,788,282 |
| Excess Revenue Over/(Under) Expenditures | \$ (710,581) | \$ (716,202) |