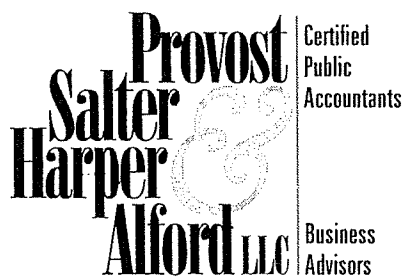


**BATON ROUGE CHILDREN'S
ADVOCACY CENTER**

FINANCIAL REPORT

December 31, 2021



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BATON ROUGE CHILDREN'S ADVOCACY CENTER

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December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Baton Rouge Children's Advocacy Center

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Baton Rouge Children's Advocacy Center (a nonprofit 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 statement.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Baton Rouge Children's Advocacy Center as of December 31, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Baton Rouge Children's Advocacy Center 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 opinion.

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 Baton Rouge Children's Advocacy Center's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS 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 GAAS, 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 Baton Rouge Children's Advocacy Center'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 Baton Rouge Children's Advocacy Center'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 schedule of compensation, benefits and other payments to agency head on Schedule I is presented to comply with the requirements issued by the State of Louisiana 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 June 28, 2022 on our consideration of Baton Rouge Children's Advocacy Center's internal control over financial reporting and 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 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 Baton Rouge Children's Advocacy Center's internal control over financial reporting and compliance.

Provost, Salter, Harper, & Alford LLC



Baton Rouge, Louisiana
June 28, 2022

Baton Rouge Children's Advocacy Center**Statement of Financial Position****December 31, 2021**

ASSETS

Current Assets

Cash and cash equivalents	\$ 516,101
Receivables	286,508
Prepaid expenses and other	8,582
Total current assets	<u>811,191</u>

Property and Equipment

Building and improvements	820,407
Equipment and furniture	134,222
Land	140,000
	<u>1,094,629</u>
Less: Accumulated depreciation	<u>(303,273)</u>
Net property and equipment	<u>791,356</u>

Total Assets\$ 1,602,547**LIABILITIES AND NET ASSETS**

Current Liabilities

Accounts payable	\$ 17,443
Other current liabilities	64,183
Total Liabilities	<u>81,626</u>

Net Assets

Without donor restrictions	1,453,087
With donor restrictions	67,834
Total net assets	<u>1,520,921</u>

Total Liabilities and Net Assets\$ 1,602,547

Baton Rouge Children's Advocacy Center

Statement of Activities and Changes in Net Assets

Year Ended December 31, 2021

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 193,953	\$ 419,865	\$ 613,818
Earned revenue	99,130	-	99,130
Fundraising events, net of expense	150,422	-	150,422
Government assistance and grants	522,167	-	522,167
Investment income	1,284	-	1,284
Other revenue	131,496	-	131,496
Net assets released from purpose and time restrictions	370,997	(370,997)	-
Total Support and Revenue	1,469,449	48,868	1,518,317
Expenses			
Program	727,609	-	727,609
Management and general	395,650	-	395,650
Fundraising	224,683	-	224,683
Total Expenses	1,347,942	-	1,347,942
Change in Net Assets	121,507	48,868	170,375
Net Assets			
Beginning of year	1,331,580	18,966	1,350,546
End of year	\$ 1,453,087	\$ 67,834	\$ 1,520,921

Baton Rouge Children's Advocacy Center

Statement of Functional Expenses

Year Ended December 31, 2021

	Program Services	General and Administrative	Fundraising	Total
Bank charges	\$ 30	\$ 19	\$ 8	\$ 57
Computer expense	18,946	12,164	4,772	35,882
Contract therapist	54,378	-	-	54,378
In-kind program expense (interns)	62,451	-	-	62,451
Depreciation	27,414	17,601	6,905	51,920
Dues and memberships	1,621	1,041	408	3,070
Furnishings	2,595	1,666	654	4,915
Insurance	11,836	7,599	2,981	22,416
Janitorial	4,896	3,144	1,233	9,273
Legal and professional	18,716	12,017	4,714	35,447
Marketing	-	-	70,832	70,832
Miscellaneous	7,567	4,858	1,906	14,331
Occupancy expense	7,227	4,640	1,821	13,688
Office expense	3,533	2,268	890	6,691
Payroll and benefits	488,276	313,497	122,994	924,767
Postage and delivery	314	201	79	594
Printing	275	177	69	521
Repairs and maintenance	1,485	954	374	2,813
Security	1,230	790	310	2,330
Supplies	10,460	6,715	2,635	19,810
Travel and training	4,359	2,799	1,098	8,256
Volunteer recognition	-	3,500	-	3,500
	<u>\$ 727,609</u>	<u>\$ 395,650</u>	<u>\$ 224,683</u>	<u>\$ 1,347,942</u>

Baton Rouge Children's Advocacy Center**Statement of Cash Flows****Year Ended December 31, 2021**

	2021
Cash Flows From Operating Activities	
Change in net assets	\$ 170,375
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation	51,920
PPP loan forgiveness	(116,000)
(Increase) decrease in:	
Accounts receivable	9,475
Prepaid expense and other	(4,002)
Increase (decrease) in:	
Accounts payable	(36,899)
Accrued expense	61,429
	<hr/>
Net Cash Provided By (Used In) Operating Activities	136,298
	<hr/>
Cash Flows From Investing Activities	
Purchase of property and equipment	(37,261)
	<hr/>
Net Cash Provided By (Used In) Investing Activities	(37,261)
	<hr/>
Net Increase (Decrease) In Cash And Cash Equivalents	99,037
Cash And Cash Equivalents	
Beginning	417,064
	<hr/>
Ending	\$ 516,101
	<hr/> <hr/>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Non-Cash Investing and Financing Activities

PPP Forgiveness	\$ 116,000
	<hr/> <hr/>

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements

December 31, 2021

1. Nature of Organization and Significant Accounting Policies

Nature of Organization. Baton Rouge Children's Advocacy Center (the Organization) is comprised of a multi-disciplinary team of social workers and advocates, forensic interviewers, and treatment specialists. The Organization's primary goal is to provide client-centered services to children exposed to traumatic events, including sexual and physical assault, and witnessing domestic violence or homicide. The Organization provides services, without charge to the clients, for the parishes of East Baton Rouge, Iberville, Point Coupee, and West Baton Rouge.

The Organization's programs are as follows:

Trauma recovery services: Improves child medical and mental health outcomes, reducing the negative impact of trauma and chronic stress. Individual, family, and group therapy services are offered by specially trained therapists.

Forensic services: Improves prosecution outcomes of violent crime offenses against children by providing specially trained forensic interviewing in a home-like setting and in collaboration with other disciplines of medicine, law enforcement, and child protective services.

Community outreach and primary prevention: Builds awareness of child abuse in the community and promotes prevention of child abuse by providing education and training to adults who care for children and to children in schools.

The Organization is supported primarily through donor contributions, grants, the United Way, and the annual Celebrity Waiter fundraiser.

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

Basis of Accounting. The Organization maintains its records and reports its income using the accrual method of accounting and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies are described below to enhance the usefulness of the financial statements.

Basis of Presentation. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions—These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2021

Net Assets with Donor Restrictions—These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends, or the purpose of the restriction is accomplished, the net assets are restricted.

Revenue Recognition. Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions. 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 Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Grants which are cost reimbursable under federal contracts are recorded as net assets without donor restrictions in the Statement of Activities and Changes in Net Assets.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

Cash and Cash Equivalents. For purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, and all highly liquid investments with an initial maturity of three months or less.

Allowance for Uncollectible Accounts. As of December 31, 2021, all accounts were considered collectible; therefore, no allowance for uncollectible accounts has been established. Accounts are considered past due based on their contractual terms. Receivables are closely monitored by management during the year and all accounts considered to be uncollectible are written off. Accounts over 90 days past due as of December 31, 2021 totaled \$39,021.

Concentration of Credit. Financial instruments which subject the Organization to concentrations of credit risk consist primarily of receivables. Management believes the risk is limited.

The Organization maintains its cash in bank deposit accounts at high credit quality financial institutions insured by the Federal Deposit Insurance Corporation. The bank deposits at times may exceed federally insured limits. At year end, bank deposit accounts exceeded the insured limit by \$17,255. Management considers this risk acceptable.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2021

Concentration of Business Risk. For the year ended December 31, 2021, 40% of the Organization's annual revenues has come from contributions. Of total revenue, one contributor provided 29% of total support and revenue in 2021. It is considered reasonably possible that benefactors, grantors, or contributors might be lost in the near term.

Fixed Assets and Depreciation. Purchased or constructed fixed assets are recorded at cost. The Organization maintains a threshold level of \$1,000 or more for capitalizing capital assets. Fixed assets are depreciated over their estimated useful lives at the time the asset is placed in service using the straight-line method.

For financial statement presentation, the Organization provides for depreciation using the straight-line method of depreciation over the following estimated useful lives:

	Years
Buildings and improvements	5-30
Furniture and equipment	3-7

Contributed Services and Assets. The Organization records contribution revenue for certain services received at the fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased, if not provided by donation. Donated equipment and other non-cash donations are recorded as contributions at their fair value at the date of donation.

Advertising. Baton Rouge Children's Advocacy Center expenses advertising costs as incurred. Total advertising and promotion expense for the year ended December 31, 2021 was \$33,120.

Functional Allocation of Expenses. The Organization's operating costs have been allocated between program, general and administrative, and fundraising expenses based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are allocated based on how personnel cost is allocated.

Income Taxes. The Organization is a non-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Local Government Assistance. During the year ended December 31, 2021, the Organization entered into cooperative endeavor agreements with three local governmental entities. The agreements provide for two of the governmental entities to contribute \$25,000 each year for the three-year period ending in 2022, and one to contribute \$24,250 each year for the three-year period ending in 2022.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2021

Additionally, the Organization entered into cooperative endeavor agreements with two other local governmental agencies, which provide for each of the governmental entities to contribute \$2,500 to the Organization annually. In 2022, these cooperative endeavor agreements were renewed for another one-year term.

Subsequent Events. In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 28, 2022, the date the financial statements were available to be issued.

2. Net Assets with Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the purpose and time specified by the donors for the year ended December 31, 2021:

Covid Relief Fund for FI	\$ 10,691
Equipment Acquisition	3,962
Prevention Education	19,094
Human Trafficking Coordinator	19,251
Children Advocacy Center Program	75,861
Patient Therapy	2,685
Prevention Education and Hospital Advocacy	28,428
Behavioral Health and Wellness	104,000
Administrative Management	40,000
Therapy Program	36,755
Children Advocacy Center Needs	30,270
	<hr/>
	\$ 370,997

Net assets with donor restrictions are restricted for the following purposes at December 31, 2021:

Prevention Education	\$ 1,534
Children Advocacy Center Program	8,325
Therapy Program	38,245
Children Advocacy Center Needs	19,730
	<hr/>
	\$ 67,834

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2021

3. Changes in Fixed Assets

	Beginning of Year	Additions	Reductions	End of Year
Capital assets not being depreciated				
Land	\$ 140,000	\$ -	\$ -	\$ 140,000
Total capital assets not being depreciated	140,000	-	-	140,000
Capital assets being depreciated				
Building & improvements	797,944	22,463	-	820,407
Furniture & fixtures	8,373	-	-	8,373
Computer & other equipment	111,050	14,799	-	125,849
Total capital assets being depreciated	917,367	37,262	-	954,629
Less accumulated depreciated				
Building & improvements	177,033	31,456	-	208,489
Furniture & fixtures	7,373	255	-	7,628
Computer & other equipment	66,946	20,210	-	87,156
Total accumulated depreciation	251,352	51,921	-	303,273
Total capital assets being depreciated, net	666,015	(14,659)	-	651,356
Total governmental activities capital assets, net	\$ 806,015	\$ (14,659)	\$ -	\$ 791,356

4. Payment Protection Program

On April 17, 2020, the Organization received a Payment Protection Program ("PPP") loan in the amount of \$116,000 from the Small Business Administration ("SBA"). The company fully utilized the funds for the PPP's intended purpose, and on July 21, 2021, the loan was fully forgiven.

5. Income Taxes

The Organization is exempt from income tax under IRC section 501(c)(3). The Organization follows FASB ASC 740-10-25, *Accounting for Uncertainty in Income Taxes*. The Organization would recognize accrued interest and penalties associated with uncertain tax provisions, if any, as part of the income tax provision. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Organization's evaluation on December 31, 2021 revealed no uncertain tax positions that would have a material impact on the financial statements. The Organization's federal information return is subject to possible examination by the taxing authorities until the expiration of the

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2021

related statute of limitations on the information return. In general, the federal information return has a three-year statute of limitation.

6. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	2021
Cash and cash equivalents	\$ 516,101
Accounts receivable, net	286,508
	<hr/> 802,609
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions:	
Prevention Education	(1,534)
Children Advocacy Center Program	(8,325)
Therapy Program	(38,245)
Children Advocacy Center Needs	(19,730)
	<hr/> \$ 734,775

7. Operating Leases

The Organization leases office equipment under an operating agreement with AllFax for a multifunction copier/printer starting in March 2020. The life of the lease is 36 months with a minimum lease payment of \$113/month.

Rental expense under these leases was \$1,356 for the year ended December 31, 2021. The minimum future lease payments receivable under the non-cancelable operating lease are as follows:

Year Ending December 31,	
2022	\$ 1,356
2023	226
	<hr/> \$ 1,582

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2021

8. Accounting Pronouncements Not Yet Implemented

On September 17, 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting non-profit gifts-in-kind. The ASUE requires the new standard to be applied retrospectively, with amendments taking effect for the Organization's fiscal year ending December 31, 2022.

In February 2016, the FASB issued ASU 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the balance sheet as well as additional disclosures. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, to simplify the lease standard's implementation. The amended guidance relieves businesses and other organizations of the requirement to present prior comparative years' results when they adopt the new lease standard. On June 3, 2020, the FASB deferred the effective date of this standard for certain entities. This standard will be effective for the Organization's fiscal year ending December 31, 2023.

Baton Rouge Children's Advocacy Center

Schedule of Compensation, Benefits, and Other

Year Ended December 31, 2021

Payments to Agency Head

Agency Head Name: Toni Bankston

Purpose

Salary	\$ 113,077
Accrued severance	26,707
Benefits - insurance	8,112
Travel	183
Reimbursement	55
Membership	332
License	78
	<hr/>
	\$ 148,544

**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
Baton Rouge Children's Advocacy Center
Baton Rouge, Louisiana

We 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 Baton Rouge Children's Advocacy Center (a nonprofit 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 June 28, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Baton Rouge Children's Advocacy Center'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 the Baton Rouge Children's Advocacy Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Baton Rouge Children's Advocacy Center'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 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, and therefore,

material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, as items 2021-001, 2021-002, 2021-003, and 2021-004 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Baton Rouge Children's Advocacy Center's financial statements are free from material misstatements, 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 financial statements. 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*.

Baton Rouge Children's Advocacy Center's Response to Findings

Baton Rouge Children's Advocacy Center's response to the findings identified in our engagement is described in the accompanying schedule of findings and responses. Baton Rouge Children's Advocacy Center's response was not subjected to the auditing procedures applied in the engagement to audit the financial statements and, accordingly, we express no opinion on it.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Provost, Salter, Harper, & Alford LLC



Baton Rouge, Louisiana
June 28, 2022

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses

December 31, 2021

Section I - Internal Control Findings

Finding 2021-001

Material Weakness in Internal Control over Financial Reporting-Preparation of Financial Statements

Criteria: Management is responsible for the preparation of financial statements in accordance with generally accepted accounting principles (GAAP).

Condition: The Baton Rouge Children's Advocacy Center does not have controls in place to prepare financial statements in accordance with generally accounting principles.

Potential Effect: Audit adjustments or disclosures required for the financial statements to be in conformity with GAAP may not be made or included.

Cause: The Baton Rouge Children's Advocacy Center does not obtain the necessary continuing education required to be knowledgeable of new standards nor do they subscribe to any service to ensure a current library necessary to prepare financial statements in accordance with GAAP.

Recommendation: Management should continue to evaluate the cost and related benefit to obtain the necessary training and resources to prepare financial statements in accordance with GAAP.

View of Responsible Official: The size of the office's accounting and administrative staff does not warrant retaining personnel with such specialized expertise. The Center believes that the staff is fully competent to perform their assigned duties and has determined it is most cost effective to request that the auditor assist with preparing adjustments necessary for the financial statements to be presented in accordance with generally accepted accounting principles. We will continue to monitor this issue on an annual basis.

Finding 2021-002

Material Weakness in Internal Control over Financial Reporting-Inadequate Segregation of Duties

Criteria: No one person should be assigned duties that would allow that person to commit an error or perpetrate fraud and to conceal the error or fraud. For example, the same person should not be responsible for any two of the following functions:

- 1) Authorization of a transaction;
- 2) Recording of the transaction; and

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses, continued

December 31, 2021

3) Custody of assets involved in the transaction.

Condition: The entity does not employ enough personnel to achieve an optimum level of segregation of duties.

Potential Effect: Errors could occur which could affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause: The size of the entity and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Recommendation: The resolution of this finding is not under the control of the Center as it may not be cost effective; however, management should monitor the assignment of duties to ensure as much segregation of duties as possible and when possible, utilize mitigating controls to compensate for the lack of segregation of duties.

View of Responsible Official: We believe we have implemented procedures to mitigate our lack of segregation of duties based on the size of our organization but will continue to review and improve our segregation of duties as our staffing changes.

Finding 2021-003

Material Weakness in Internal Control over Financial Reporting – Accounting for Accounts Payable

Criteria: Generally accepted accounting principles requires that expenditures be recognized in the period in which they are incurred, and the corresponding payable be established.

Condition: During our search for unrecorded liabilities, we noted invoices relating to services performed prior to the end of the fiscal year were not recorded as a liability in the proper accounting period.

Context: The Center enters payables as of the received invoice date. Our search for unrecorded liabilities discovered several invoices issued after the year-end for services performed prior to year-end which were not recorded as payables.

Potential Effect: Accounts payable and the expense could be understated at year-end.

Recommendation: Management should implement a process to review invoices more thoroughly to ensure it is posted to the period consistent with when the associated goods are received or services performed.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses, continued

December 31, 2021

View of Responsible Official: The Director of Finance will put together a list of monthly charges and any work performed at the BRCAC in the final quarter to help keep track of possible charges that could be invoiced in the new fiscal year that need to be accrued. This should help in verifying expenses being charged to the proper year. The Director of Finance will set up a first close as of January 31st to make sure credit card charges, monthly invoices are properly accrued to the previous fiscal year. When this close is performed, the Director of Finance will review list with the Executive Director to verify accuracy. The Director of Finance will contact all vendors with outstanding required invoices. A second and final close will be conducted on February 15th to review any remaining invoices that were received after year end to verify the expense is in the correct year or if part or all of it should be accrued in the previous year. When this close is complete it will be reviewed with the Executive Director to verify all charges have been accrued. This will be reviewed with the Executive Director to verify as well. The BRCAC plans to have the Audit engagement letter signed by January 5th so that the audit can begin earlier.

Finding 2021-004

Material Weakness in Internal Control over Financial Reporting – Accounting for Accounts Receivable

Criteria: Generally accepted accounting principles requires that revenues be recognized in the period in which they are incurred, and the corresponding receivables be established.

Condition: During our test of subsequent collections of receivables, we noted a grant awarded in 2021 for the fiscal year were not recorded as a receivable in the proper accounting period.

Context: The Center enters receivables as of the invoiced date. Our test of subsequent collections discovered a grant awarded in 2021 but funds received after the year-end were not recorded as receivables.

Potential Effect: Accounts receivable and revenues could be understated at year-end.

Recommendation: Management should implement a more comprehensive process to track all donations, grants, and contracts. This process should address the following key components: maintenance of a listing of all open awards categorized by type (unrestricted contributions, restricted contributions, time or purpose, reimbursable contracts). All awards should be evaluated for any specific accounting or reporting requirements, so that necessary accounting provisions and processes can be put in place. Reporting intervals should be determined and communicated to ensure compliance, and controls put in place to ensure that the financial statements properly reflect the status as of each reporting period.

View of Responsible Official: Management has begun putting together a master spreadsheet for all grants, contracts, donations both restricted and unrestricted. Additional notes and modifications will be dated on the spreadsheet. This spreadsheet will be monitored and reviewed monthly by the

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses, continued

December 31, 2021

Executive Director and the Director of Finance and will be provided to the Board of Directors Finance Committee to complete the following:

- 1 – Verifying that funding utilization is on schedule
- 2 - Decide if modification requests should be submitted
- 3 – Review QuickBooks to ensure that fiscal data is being correctly coded and is up to date.

Our grants and contracts require mandated reporting (monthly, quarterly, semi-annually and annually), therefore, monthly review of these spreadsheets by the management team will improve the tracking of expenses and income in a timely fashion.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Prior Year Findings

December 31, 2021

RefNo.	Fiscal Year Finding Initially Occurred	Description of Finding	Status of the Finding	Current Year Finding Ref No.
2020-001	2020	Financial statements are required to be prepared in accordance with generally accepted accounting principles	Unresolved	2021-001
2020-002	2020	Inadequate segregation of duties	Unresolved	2021-002
2020-003	2020	Review of bank reconciliations	Resolved	N/A

**INDEPENDENT
ACCOUNTANT'S REPORT
ON THE APPLICATION
OF AGREED-UPON PROCEDURES**

Baton Rouge Children's Advocacy Center

December 31, 2021



Baton Rouge Children's Advocacy Center

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors and the Louisiana Legislative Auditors:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. Baton Rouge Children's Advocacy Center's management is responsible for those C/C areas identified in the SAUPs.

Baton Rouge Children's Advocacy Center has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures we performed, and the associated findings are summarized in Schedule A, which is an integral part of this report.

We were engaged by Baton Rouge Children's Advocacy Center's to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Baton Rouge Children's Advocacy Center's and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

PROVOST, SALTER, HARPER & ALFORD, LLC

A handwritten signature in cursive script that reads "Provost, Salter, Harper & Alford, LLC".

Baton Rouge, LA

June 28, 2022

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
 - j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings:

No exceptions noted.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Findings:

No exceptions noted

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds⁷. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

Findings:

No exceptions noted.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Findings:

The organization is not a governmental entity. Therefore, this procedure was not applicable to the entity.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

We obtained a listing of 3 bank accounts.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Findings:

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers; or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Findings:

No exceptions noted.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Findings:

There were no items outstanding for more than 12 months from statement closing date. Therefore, this procedure was not applicable to the entity.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Cash is only collected at main office.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

Findings:

No exceptions noted.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Findings:

No exceptions noted.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Findings:

No exceptions noted.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Findings:

No exceptions noted.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Findings:

The entity did not have a bond or insurance policy for theft covering all employees who have access to cash.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Findings:

No exceptions noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Findings:

No exceptions noted.

Baton Rouge Children's Advocacy Center

Schedule A

Agreed-Upon Procedures and Associated Findings

December 31, 2021

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Findings:

No exceptions noted.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Findings:

No exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

Findings:

No exceptions noted.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Payments are only processed at the main office.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Findings:

No exceptions noted.

- b) At least two employees are involved in processing and approving payments to vendors.

Findings:

No exceptions noted.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Findings:

No exceptions noted.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

Findings:

No exceptions noted.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Findings:

No exceptions noted.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Findings:

One disbursement did not include evidence of segregation of duties.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

We obtained a listing of active credit cards for the fiscal period, including the card numbers and the names of the persons who maintained possession.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Findings:

One credit card statement did not include evidence that it was reviewed and approved, in writing, by someone other than the authorized card holder.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Findings:

No exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Findings:

No exceptions noted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

We obtained a list of all reimbursements for travel and related expenses from the general ledger totaling \$2,288.77.

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Findings:

No exceptions noted.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Findings:

No exceptions noted.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Findings:

No exceptions noted.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings:

No exceptions noted.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Findings:

No exceptions noted.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

Findings:

No exceptions noted.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Findings:

No exceptions noted.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Findings:

One contract payment did not agree to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Findings:

No exceptions noted.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Findings:

No exceptions noted.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Findings:

No exceptions noted.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Findings:

No exceptions noted.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Findings:

No exceptions noted.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Findings:

The entity did not make any termination payments during the fiscal period. Therefore, this procedure was not applicable to the entity.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Per management, all employer and employee portions of third-party payroll related amounts have been paid, but all associated forms were not filed by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Findings:

The Louisiana Code of Ethics is not applicable to this entity. Therefore, this procedure is not applicable.

Baton Rouge Children's Advocacy Center

Schedule A

Agreed-Upon Procedures and Associated Findings

December 31, 2021

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Findings:

The Louisiana Code of Ethics is not applicable to this entity. Therefore, this procedure is not applicable.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Findings:

No debt instruments were issued during the fiscal period; therefore, this procedure is not applicable.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Findings:

No bonds/notes were outstanding at the end of the fiscal period; therefore, this procedure is not applicable.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Findings:

There were no misappropriations of public funds and assets during the fiscal period. Therefore, this procedure is not applicable.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings:

Revised statutes are not applicable to this entity. Therefore, this procedure is not applicable.

Information Technology Disaster Recovery/Business Continuity

25. We performed the procedure and discussed the results with management.

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Findings:

No exceptions noted

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Findings:

No exceptions noted

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active

antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Findings:

No exceptions noted.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.

- b) Number of sexual harassment complaints received by the agency;

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.

- e) Amount of time it took to resolve each complaint.

Findings:

This is entity is not subject to sexual harassment law. Therefore, this procedure is not applicable.



Baton Rouge
Children's Advocacy Center
Hope Is Here

BRCAC responses to the following findings:

6. - The current insurance policy is up for renewal and the BRCAC is asking that this be added to our new policy.

10. b. -- This is our \$15.66 monthly charge for Adobe that has been paid for the past 3 years, and I could not find supporting documentation to show it is an approved monthly charge. We will have a letter signed by the Executive Director approving this charge attached to the file from now on.

12. a. -- November of last year the BRCAC began having a member of the Finance Committee review all bank account and credit card reconciliations. No member of the Finance Committee is initiating any purchases with these accounts.

15. b. - We were not able to find written verification after agreeing in a meeting to the \$100 per month increase in Torapath's monthly contract. The new contract is being written now to be signed. The BRCAC will make sure that if we have or will have any changes in future contracts, that it is put in writing and signed by the appropriate staff.

Sharon Pol, Executive Director



NATIONAL
CHILDREN'S
ALLIANCE

ACCREDITED
MEMBER