

BATON ROUGE BAR FOUNDATION
Baton Rouge, Louisiana

AUDITED FINANCIAL STATEMENTS
For the Year Ended December 31, 2018



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Baton Rouge Bar Foundation
Baton Rouge, Louisiana

We have audited the accompanying financial statements of Baton Rouge Bar Foundation (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2018, 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Baton Rouge Bar Foundation as of December 31, 2018, 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

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedule on page 14, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer is required by Louisiana Revised Statute 24:513 (A)(3) and is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2019, on our consideration of Baton Rouge Bar Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Baton Rouge Bar Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Baton Rouge Bar Foundation's internal control over financial reporting and compliance.

TWRU

CPAs & Financial Advisors
Baton Rouge, Louisiana
May 22, 2019

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

STATEMENT OF FINANCIAL POSITION
(See Notes to Financial Statements)
As of December 31, 2018

ASSETS

UNRESTRICTED CURRENT ASSETS:

Cash and Cash Equivalents	\$ 169,550
Accounts Receivable	4,575
Grants Receivable	48,074
Certificates of Deposit	67,543
Other Current Assets	<u>2,939</u>

TOTAL UNRESTRICTED CURRENT ASSETS 292,681

RESTRICTED CURRENT ASSETS:

Cash and Cash Equivalents	<u>21,397</u>
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TOTAL CURRENT ASSETS \$ 314,078

PROPERTY AND EQUIPMENT:

Furniture and Fixtures	99,117
Equipment	1,603
Computers	43,066
Building Improvements	63,271
Building	<u>537,634</u>

TOTAL PROPERTY AND EQUIPMENT 744,691
Less Accumulated Depreciation 420,602
324,089

Land 150,000

NET PROPERTY AND EQUIPMENT 474,089

INVESTMENTS

Marketable Securities, Unrestricted 13,634

TOTAL ASSETS \$ 801,801

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable	\$	45
Due to Affiliate		<u>26,287</u>

TOTAL LIABILITIES (ALL CURRENT)

\$ 26,332

NET ASSETS:

Without Donor Restrictions:		
Undesignated		735,677
With Donor Restrictions		<u>39,792</u>

TOTAL NET ASSETS

775,469

TOTAL LIABILITIES AND NET ASSETS

\$ 801,801

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

STATEMENT OF ACTIVITIES
(See Notes to Financial Statements)
For the Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Fundraising	\$ 45,146	\$ -	\$ 45,146
Donations	21,880	-	21,880
Interest Income	367	-	367
Grant Revenue	-	219,058	219,058
Lease Income	17,566	-	17,566
Membership Dues	18,365	-	18,365
Investment Income (Loss)	(198)	-	(198)
Miscellaneous	10,383	-	10,383
Net Assets Released From Restrictions	214,497	(214,497)	-
Total Unrestricted Revenues and Other Support	<u>328,006</u>	<u>4,561</u>	<u>332,567</u>
Functional Expenses:			
Program Expenditures	222,554	-	222,554
General and Administrative	83,468	-	83,468
Fundraising	25,771	-	25,771
Total Expenses	<u>331,793</u>	<u>-</u>	<u>331,793</u>
Decrease in Net Assets	(3,787)	4,561	774
Net Assets at Beginning of Year	<u>739,464</u>	<u>35,231</u>	<u>774,695</u>
Net Assets at End of Year	<u>\$ 735,677</u>	<u>\$ 39,792</u>	<u>\$ 775,469</u>



BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
(See Notes to Financial Statements)
For the Year Ended December 31, 2018

	Functional Expenses			
	Program Expenditures	General & Administrative	Fundraising	Total
Bank Charges	\$ -	\$ 1,830	\$ -	\$ 1,830
City Court Costs	148	-	-	148
Computer & Technology	7,574	10,960	-	18,534
Depreciation	-	18,056	-	18,056
Insurance	-	11,923	-	11,923
Janitorial	-	5,365	-	5,365
Meetings & Seminars	10,955	-	10,420	21,375
Miscellaneous	-	271	-	271
Office Supplies	4,295	6,368	1,463	12,126
Postage	1,343	-	134	1,477
Printing	4,020	281	1,165	5,466
Professional Fees	5,202	13,159	1,089	19,450
Program Expenses	-	8,212	-	8,212
Repairs & Maintenance	-	1,747	-	1,747
Salaries & Employee Benefits	176,386	-	11,500	187,886
Scholarships	-	3,050	-	3,050
Technology Fees	1,800	-	-	1,800
Telephone	4,560	-	-	4,560
Travel	814	(68)	-	746
Utilities	5,457	2,314	-	7,771
Total	\$ 222,554	\$ 83,468	\$ 25,771	\$ 331,793



BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS
(See Notes to Financial Statements)
For the Year Ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 774
Adjustments to Reconcile Change in Net Assets to Net Cash	
Used by Operating Activities:	
Depreciation	18,056
Unrealized Loss on Marketable Securities	547
Decrease (Increase) in Assets:	
Accounts Receivable	(2,905)
Grants Receivable	18,813
Other Current Assets	(525)
Increase in Liabilities:	
Accounts Payable	(1,220)
Due to Affiliate	<u>(3,445)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 30,095
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Fixed Assets	(4,720)
Sale of Marketable Securities	180
Purchase of Certificate of Deposit	(50,000)
Interest reinvested into Certificate of Deposit	<u>(6)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(54,546)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(24,451)
BEGINNING CASH AND CASH EQUIVALENTS	<u>215,398</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 190,947</u>

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -1-
December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - The Baton Rouge Bar Foundation is a voluntary not-for-profit organization which provides free legal services and education programs for the public in the greater Baton Rouge area.

Basis of Accounting - The financial statements of the Baton Rouge Bar Foundation (the Foundation) have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation - The Foundation reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity. Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Foundation, the environment in which it operates, the purposes specified in corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. The Foundation has both net assets without donor restrictions and net assets with donor restrictions as of December 31, 2018.

Revenue and Revenue Recognition - Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Revenue With and Without Donor Restrictions - Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor 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.

Use of Estimates - Management used estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid investments, both unrestricted and restricted, with a maturity of three months or less to be cash equivalents. However, cash, money funds, and other such items with a maturity greater than three months are classified as certificates of deposits in the statement of financial position and are considered investments for the purpose of the statement of cash flows.



BATON ROUGE BAR FOUNDATION
 (A NOT-FOR-PROFIT ORGANIZATION)
 Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -2-
 December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Certificates of Deposit – Certificates of Deposit represent interest bearing accounts at financial institutions with maturity terms of three months or greater. Certificate of Deposits are stated at face value plus interest when it is compounded to the account. These amounts represent face value.

Accounts Receivable – The Foundation determines past due accounts based on contractual terms and does not charge interest on the accounts. Receivable consists of amounts due from various grants and other receivables. The Foundation charges off a receivable if management considers the collection of the outstanding balance to be doubtful. Management believes that all existing receivables are collectible.

Promises to Give – The Foundation has chosen to recognize all donations when received. The Foundation has chosen not to record any receivable for promises to give. If the Foundation had chosen to recognize the promises to give, the amounts would be immaterial. During the current year, there were no promises to give.

Property and Equipment – Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful life of the asset. Maintenance and repairs are charged against earnings when incurred. The cost and accumulated depreciation of assets sold or retired are removed from the respective accounts and any resulting gain or loss is reflected in current period earnings. The estimated useful lives for significant property and equipment categories are as follows:

Furniture and Equipment	5 to 7 years
Buildings and improvements	15 to 39 years

Investments – Investments in equity and debt securities are recorded at fair value. Dividend, interest and other investment income including realized and unrealized gains and losses are recorded as increases or decreases in either unrestricted, temporarily or permanently restricted net assets depending on donor stipulations.

Income Taxes – The Foundation has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made; however, if the Organization should engage in activities unrelated to the purpose for which it was created, taxable income could result. The Organization has no unrelated business income for the year ended December 31, 2018.

Membership Dues – Membership dues are paid by participating members of the Baton Rouge Bar Association and are recognized as revenue in the applicable membership period.

Concentration of Support – During 2018, the Foundation received approximately 67% of its annual revenue from eight major grantors.

Concentration of Credit Risk – The Foundation maintains its cash balance at financial institutions where they are insured by the Federal Deposit Insurance Company. The balance of these accounts from time to time exceeds federally insured limits. The Foundation has not experienced any losses in such accounts and believes they are not exposed to any significant credit risk on cash and cash equivalents.



BATON ROUGE BAR FOUNDATION
 (A NOT-FOR-PROFIT ORGANIZATION)
 Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -3-
 December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services – No amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. However, some Board Members and other local attorneys volunteer their time and perform a variety of tasks that assist the Foundation but these amounts are estimated to be immaterial.

Advertising – The Foundation expenses advertising costs as they are incurred. The Foundation did not advertise during 2018.

Expense Allocation – Directly identifiable expenses are charges to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Foundation.

NOTE 2: CERTIFICATES OF DEPOSIT

The Foundation holds an unrestricted certificate of deposit at Iberia Bank and Citizens Bank. The certificate at Iberia Bank bears interest at 1.39% and matures in March 2019. The balance of the certificate at Iberia Bank is \$17,544 as of December 31, 2018. The certificate at Citizens Bank bears interest at 2.20% and matures in September 2019. The balance of the certificate at Citizens Bank is \$50,000 as of December 31, 2018. Any penalties for early withdrawal would not have a material effect on the financial statements.

NOTE 3: INVESTMENTS

Investments, which are recorded at fair value, as of December 31, 2018, were held by the Baton Rouge Area Foundation. Investments held by the Baton Rouge Area Foundation are primarily mutual funds. The investments are in pooled accounts. Investment fees at December 31, 2018 were \$550 and coded to bank charges.

The following schedule summarizes the investment revenue and expenses and their classification in the statements of activities for the year ended December 31, 2018:

	<u>2018</u>
Interest and Dividends	\$ 369
Unrealized Loss, net	<u>(547)</u>
Total investment loss	<u>\$ (178)</u>

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -4-
December 31, 2018

NOTE 4: DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Accounting Standards Board Accounting Standards (ASC) provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted priced for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2—Inputs are based upon quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of assets or liabilities.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value.

Pooled funds: Valued at the net asset value (NAV) of units held by the Foundation at year end.

The preceding methods described may produce fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2018.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Pooled Funds held by Baton Rouge Area Foundation	\$ -	\$ 13,634	\$ -
Total	<u>\$ -</u>	<u>\$ 13,634</u>	<u>\$ -</u>

NOTE 5: RELATED PARTY TRANSACTIONS

The Baton Rouge Bar Foundation and the Baton Rouge Bar Association (the Association) are affiliated organizations through common management. The Association is not included in these financial statements. Both organizations share the same board of directors, president, and accounting personnel. The Association rents office space from the Foundation on a monthly basis. Rental income for the year ended December 31, 2018 was \$2,400.

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -5-
December 31, 2018

NOTE 5: RELATED PARTY TRANSACTIONS (CONTINUED)

The Foundation and the Association split the cost of some joint expenses. The types of expenses that are incurred by both organizations include insurance, office supplies, telephone and printing. The organizations also allocate expenses based on actual costs and the estimate of usage. These types of expenses include salaries, payroll taxes, reproduction and postage. All employees are employed by the Association and their salaries and benefits are allocated to the Foundation. During 2018, the Foundation paid a net amount of \$190,439 to the Association for joint expenses. At December 31, 2018, the Foundation owes \$26,287 to the Association for these types of expenses.

Although a portion of the Association's executive director's time and the Association's office manager's time is spent on The Foundation, management has decided not to allocate any salary expense of these two employees to the Foundation. The dollar amount that should be allocated has not been determined, and management believes it would not be significant.

NOTE 6: NET ASSETS WITH RESTRICTIONS

Temporarily restricted net assets were available for the following purposes at December 31, 2018:

American College of Bankruptcy Grant	\$ 771
Baton Rouge Area Foundation Grant	2,083
Disaster Recovery Grant	315
Financial Literacy	5,423
Flood Donations	2,200
LA Flood Recovery Grant	2,932
Pro Bono IOLTA Grant	10,435
Renovation of new building	4,326
South Burbank Crime Prevention	2,213
Teen Court Federal Earmark Grant	4,346
Teen Court OYD Grant	4,748
	<u>\$ 39,792</u>

Net assets released from restrictions during the year ended December 31, 2018 of \$214,497 were for program expenses as follows:

Pro Bono IOLTA Grant	\$ 64,448
Pro Bono SLLC Grant	52,004
Youth Education	30,000
Med Law Grant	6,039
Baton Rouge Area Foundation Grant	6,667
Wilson Foundation	3,070
Law Enforcement Grant	49,269
Mock Trial Grant	500
Law Day Grant	2,500
	<u>\$ 214,497</u>

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -6-
December 31, 2018

NOTE 7: INCOME TAXES

On July 1, 2009, the Organization adopted the recent accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. The Organization's administration recognizes the effect of income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. The Organization's administration has evaluated its position regarding the accounting for uncertain income tax positions. The Organization's administration does not believe that it has any uncertain tax positions. With few exceptions, the Organization is no longer subject to federal, state, or local tax examinations by tax authorities for years before 2015.

NOTE 8: OPERATING LEASE REVENUE

The Foundation entered into an operating lease for a telecommunications facility as a lessor in April 2016. The lease agreement expires March 31, 2021 and is available for renewal up to four, 5-year terms. Monthly rent income is \$1,200. As of December 31, 2018, the Foundation received \$17,566 and is stated on the Statement of Activities under lease income.

NOTE 9: CHANGE IN ACCOUNTING PRINCIPLE

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, Not for Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, the lack of consistency in the type of information provided about expenses and investment return. The Foundation has implemented ASU 2016-14 and has presented the financial statements accordingly.

NOTE 10: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

	<u>12/31/18</u>
Current Assets, excluding nonfinancial assets	\$ 303,376
Less those unavailable for general expenditures within one year:	
Donor restrictions for specific purposes	<u>(39,792)</u>
Financial Assets available to meet cash needs for General expenditures within one year	<u>\$ 263,584</u>

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS -7-
December 31, 2018

NOTE 11: SUBSEQUENT EVENTS

The Foundation has evaluated all subsequent events through May 22, 2019, the date the financial statements were available to be issued.



BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

SCHEDULE OF REVENUES AND EXPENDITURES BY GRANT
(See Notes to Financial Statements)
For the Year Ended December 31, 2018

	Pro Bono IOLTA Grant	Pro Bono SLLC Grant	Youth Education Grant	Med Law Grant	BRAF Grant	Wilson Foundation Grant	Mock Trial	Law Day Grant	Law Enforcement Grant	TOTAL
GRANT REVENUE	\$ 70,000	\$ 52,000	\$ 30,000	\$ 6,039	\$ 8,750	\$ -	\$ 500	\$ 2,500	\$ 49,269	\$ 219,058
EXPENDITURES										
City Court Costs	80	68	-	-	-	-	-	-	-	148
Computer Usage Fee	1,800	5,124	-	400	-	250	-	-	-	7,574
Meetings and Seminars	768	838	3,323	-	-	1,345	835	2,571	1,275	10,955
Office Supplies	830	1,281	1,710	-	-	474	-	-	-	4,295
Postage	330	555	178	-	-	27	151	-	102	1,343
Printing	541	1,800	1,634	-	-	45	-	-	-	4,020
Professional Fees	2,909	-	801	-	-	714	-	-	778	5,202
Salaries and Employee Benefits	54,428	37,260	24,200	5,639	5,054	660	-	-	49,145	176,386
Technology Fees	1,800	-	-	-	-	-	-	-	-	1,800
Telephone	860	1,820	1,400	-	-	480	-	-	-	4,560
Travel	102	68	644	-	-	-	-	-	-	814
Utilities	-	3,200	2,257	-	-	-	-	-	-	5,457
TOTAL EXPENDITURES	64,448	52,014	36,147	6,039	5,054	3,995	986	2,571	51,300	222,554
REVENUE IN EXCESS OF EXPENDITURES (EXPENDITURES IN EXCESS OF REVENUES)	\$ 5,552	\$ (14)	\$ (6,147)	\$ -	\$ 3,696	\$ (3,995)	\$ (486)	\$ (71)	\$ (2,031)	\$ (3,496)

Note: During the year ended December 31, 2018, expenses incurred and allocated to the various grant programs were in excess of the grant revenue received by the Foundation. The excess of expenses were funded by the Foundation.

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS TO
AGENCY HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER

For the Year Ended December 31, 2018

Agency Head Name: Ann Gregorie, Executive Director

The Foundation does not pay any compensation, reimbursements, benefits or other payments to the executive director or other board members. All board members serve in a volunteer capacity. There are no reportable amounts.





TWRU
CPAs & Financial Advisors

INDEPENDENT AUDITORS' 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 Bar Foundation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Baton Rouge Bar Foundation (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2018, 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 May 22, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Baton Rouge Bar Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

TWRU

CPAs and Financial Advisors
Baton Rouge, Louisiana
May 22, 2019

BATON ROUGE BAR FOUNDATION
(A NOT-FOR-PROFIT ORGANIZATION)
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2018

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the Baton Rouge Bar Foundation.
2. Current Year Findings – None
3. No instances of noncompliance material to the financial statements of the Baton Rouge Bar Foundation were disclosed during the audit.

