

BOYS AND GIRLS CLUB OF NORTH LOUISIANA, INC.

*Financial Statements
For the Year Ended December 31, 2022*



Boys and Girls Club of North Louisiana, Inc.
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For the Year Ended December 31, 2022

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CAMERON, HINES & COMPANY

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Boys and Girls Club of North Louisiana, Inc.
Ruston, Louisiana 71270

Opinion

We have audited the accompanying financial statements of Boys and Girls Club of North Louisiana, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of North Louisiana, Inc. as of December 31, 2022, 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 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys and Girls Club of North Louisiana, Inc. 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 Boys and Girls Club of North Louisiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

To the Board of Directors
Boys and Girls Club of North Louisiana, Inc.
Ruston, Louisiana 71270
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Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Boys and Girls Club of North Louisiana, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boys and Girls Club of North Louisiana, Inc.'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.

Report on Supplementary Information

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 on page 14, is presented for purposes of additional analysis and are 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

Board of Directors
Boys and Girls Club of North Louisiana, Inc.
Ruston, Louisiana 71270
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accounting and other records used to prepare the financial statements or to the financial statements To the 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 September 15, 2023, on our consideration of Boys and Girls Club of North Louisiana, Inc.'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 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 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 Boys and Girls Club of North Louisiana, Inc.'s internal control over financial reporting and compliance.

West Monroe, Louisiana
September 15, 2023

Cameron, Hines & Company (APAC)

Boys and Girls Club of North Louisiana, Inc.
Statement of Financial Position
December 31, 2022

ASSETS

Cash and Cash Equivalents	\$ 2,520,120
Investments	487,322
Receivables	127,283
Prepaid Expenses and Other Assets	11,361
Furniture & Equipment, net	130,425
TOTAL ASSETS	<u><u>\$ 3,276,511</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable and Accrued Liabilities	\$ 106,880
Total Current Liabilities	<u>106,880</u>

Non-Current Liabilities

Note Payable	-
Total Liabilities	<u>106,880</u>

Net Assets

Without Donor Restrictions	
Undesignated	3,039,206
Invested in Property and Equipment, Net of Related Debt	130,425
With Donor Restrictions	
Time or Use Restricted for Future Periods	-
Total Net Assets	<u><u>3,169,631</u></u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,276,511</u></u>
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The accompanying notes are an integral part of this financial statement.

Boys and Girls Club of North Louisiana, Inc.
Statement of Activities
For the Year Ended December 31, 2022

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues, Gains, And Other Support			
Contributions			
Grants	\$ -	\$ 2,692,002	\$ 2,692,002
Contributions	356,137	-	356,137
Special Events	467,869	-	467,869
Designated Contributions		49,092	49,092
Program Revenues	63,437	-	63,437
Investment Earnings	(32,000)	-	(32,000)
Total Revenues & Gains	<u>855,443</u>	<u>2,741,094</u>	<u>3,596,537</u>
Net Assets Released From Restrictions			
Satisfaction of Program Restrictions	<u>2,741,094</u>	<u>(2,741,094)</u>	<u>-</u>
Total Revenues, Gains, and Other Support	3,596,537	-	3,596,537
Expenses:			
Program Services	1,508,555	-	1,508,555
Support Services	245,832	-	245,832
Fundraising	209,215	-	209,215
Total Expenses	<u>1,963,602</u>	<u>-</u>	<u>1,963,602</u>
Loss on Disposal of Assets	-	-	-
Increase (Decrease) in Net Assets	1,632,935	-	1,632,935
Net Assets at Beginning of Year	<u>1,536,696</u>	<u>-</u>	<u>1,536,696</u>
NET ASSETS AT END OF YEAR	<u>\$ 3,169,631</u>	<u>\$ -</u>	<u>\$ 3,169,631</u>

The accompanying notes are an integral part of this financial statement.

Boys and Girls Club of North Louisiana, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2022

	Program Services	Support Services	Fund Raising	Total
Accounting Fees	\$ 75,496	\$ 12,303	\$ 6,043	\$ 93,842
Board Expenses	4,224	688	339	5,251
Depreciation	11,583	1,888	927	14,398
Fundraising Expenses	60,364	9,837	19,563	89,764
Office Expense	53,720	8,754	55,227	117,701
Organizational Dues	11,330	1,846	907	14,083
Other Human Resource Costs	166,614	27,151	36,137	229,902
Payroll Taxes	57,479	9,367	4,601	71,447
Program Expenses	157,526	25,670	12,610	195,806
Building Occupancy	61,597	10,038	4,930	76,565
Resource Development	17,260	2,813	1,381	21,454
Salaries & Wages	750,264	122,262	60,058	932,584
Summer Food Service Program	58,747	9,573	4,703	73,023
Sponsored Events	18,902	3,080	1,513	23,495
Transportation	3,449	562	276	4,287
Totals	<u>\$ 1,508,555</u>	<u>\$ 245,832</u>	<u>\$ 209,215</u>	<u>\$ 1,963,602</u>

The accompanying notes are an integral part of this financial statement.

Boys and Girls Club of North Louisiana, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Granting Agencies and Contributors	\$ 3,552,295
Payments to Suppliers for Goods and Services	(983,610)
Payments to Employees	(932,584)
Payment of Payroll Taxes	(71,447)
Net Cash Provided (Used) by Operating Activities	<u>1,564,654</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Earnings	(3,206)
Purchase of Fixed Assets	-
Net Cash Provided (Used) by Investing Activities	<u>(3,206)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES	
Net Cash Provided (Used) by Financing Activities	<u>-</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 1,561,448
 Cash and Cash Equivalents at Beginning of Year	 958,672
 Cash and Cash Equivalents at End of Year	 <u>\$ 2,520,120</u>
 by Operating Activities:	
Increase in Net Assets	\$ 1,632,935
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Non-Cash Contributions	(53,600)
Unrealized Investment (Gains)/Losses	41,366
Depreciation	14,398
Increase in Accounts Receivable	(32,008)
Increase in Prepaid Expenses and Other Assets	4,933
Increase in Accounts Payable and Accrued Liabilities	(43,370)
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,564,654</u>

The accompanying notes are an integral part of this financial statement.

Boys and Girls Club of North Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

Boys and Girls Club of North Louisiana, Inc., was incorporated under the laws of the State of Louisiana on May 28, 1997. The Club's principle locations are in Ruston and West Monroe, Louisiana. The Club is engaged in helping youth of all backgrounds, especially those who are disadvantaged. The club is supported primarily through donor contributions, grants and other support from various national, state, and local organizations including Boys & Girls Clubs of America, United Way, and the State of Louisiana.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Presentation of Statements

ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenue and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Net assets, revenues, expenses, and changes in net assets are classified based on the existence or absence of donor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets 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, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource has been fulfilled, or both. As of the year ended December 31, 2020, the Organization does not have any donor-imposed restrictions that are perpetual in nature.

D. Revenue

The Club receives a substantial portion of its revenue from federal, state and local agencies. Revenue recognition depends on the contract, usually on a pro-rata basis over the life of the contract.

E. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Boys and Girls Club of North Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Restricted and Unrestricted Revenue and Support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets from restriction.

G. Donated Materials and Services

Boys and Girls Club of North Louisiana, Inc. periodically receives donated materials and services. No amounts have been reflected in the financial statements for these materials and services.

H. Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

I. Investments

The Club carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

J. Fixed Assets

Boys and Girls Club of North Louisiana, Inc. follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$500. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Computer and equipment	5 years
Vehicles	5 years
Furniture and fixtures	7 years
Leasehold Improvements	15 years
Buildings	40 years

K. Functional Allocations of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

L. Estimates

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

Boys and Girls Club of North Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Income Taxes

Boys and Girls Club of North Louisiana, Inc. is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, Boys and Girls Club of North Louisiana, Inc. has been determined by the Internal Revenue Service not to be a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the years ended December 31, 2022.

The provisions of ASC 740-10 (formerly FASB Interpretation No. 48 (FIN 48)) were adopted by the organization on January 1, 2009. The adoption of FIN 48 did not result in any changes to net assets or deferred income tax liabilities.

Accrued interest and penalties associated with uncertain tax positions are included as a component of the provision for income taxes. There were no unrecognized tax benefits at January 1, 2009. For the year ended December 31, 2022, there were no unrecognized tax benefits, or accrued interest and penalties.

The company files Form 990, an informational tax return in the U.S. federal tax jurisdiction. Federal tax returns prior to 2019 are closed.

N. Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

O. Revenue Recognition

Contributions received are recorded under net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with 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 Statement of Activities as net assets released from restrictions.

2. RECEIVABLES

Receivables include the following:

	2022
OJDP	\$ 6,665
CACFP 21-22	16,281
Americorps	40,434
LDOE 21 st Century	63,903
Total	\$ 127,283

Boys and Girls Club of North Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2022

3. INVESTMENTS

The Club's investments at December 31, 2022 consisted of cash reserve funds, equities, and publicly traded partnerships (PTPs). They are recorded in the financial statements at fair value based on quoted prices in active markets (level 1) of the securities on a recurring basis as summarized below:

	Quoted Prices in Active Markets for Identical Assets (Level 1 Inputs)	Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Cash & Cash Equivalents	\$ 142,777	\$ -	\$ -
Equities	261,332	-	-
Mutual Funds	-	-	-
PTPs	83,213	-	-
Totals	\$ 487,322	\$ -	\$ -

Investment return at December 31, 2022 is as follows:

Net Realized and Unrealized Gains & (Losses)	\$ (41,366)
Interest and Dividends	9,366
Total Investment Return	\$ (32,000)

4. FURNITURE AND EQUIPMENT

Furniture and equipment is summarized below:

	Balance 12/31/2021	Additions	Retirements & Other	Balance 12/31/2022
Furniture & Fixtures	\$ 8,149	\$ -	\$ -	\$ 8,149
Computers & Equipment	75,534	-	-	75,534
Machinery and Equipment	438,628	-	-	438,628
Vehicles	49,451	-	-	49,451
Buildings	101,302	-	-	101,302
Land	25,000	-	-	25,000
Leasehold Improvements	71,554	-	-	71,554
Total	\$ 769,618	\$ -	\$ -	\$ 769,618
Accumulated Depreciation	\$ 624,795	\$ -	\$ 14,398	\$ 639,193
Net Furniture & Equipment	\$ 144,823	\$ -	\$ 14,398	\$ 130,425

Depreciation expense was \$14,398 for the year ended December 31, 2022.

Boys and Girls Club of North Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2022

5. FACILITIES

Boys and Girls Club of North Louisiana, Inc.'s facilities in Ruston are provided by the City of Ruston. No rent is paid under an agreement that began in January 2005. The Club is responsible for all occupancy costs and normal upkeep and maintenance.

6. CONCENTRATION OF CREDIT RISK

Boys and Girls Club of North Louisiana, Inc. maintains bank accounts at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). The Club's bank statement balances at December 31, 2022 were \$2,519,351 and \$251,530 was covered by federally insured limits.

7. PENSION PLAN

The Boys and Girls Club of North Louisiana, Inc. pays into a pension plan on behalf of eligible employees, but does not administer the plan, nor is it responsible for payment of benefits. Contributions for year ended December 31, 2022 totaled \$55,979. Administrative fees totaled \$924.

8. RELATED PARTY TRANSACTIONS

A board member is the official agent for the Club's independent insurance agency. During the year ended December 31, 2022, insurance premiums in the amount of \$42,052 were paid by the Club.

9. UNITED WAY PROGRAMS

The Boys and Girls Club of North Louisiana, Inc. participates in the United Way of Northeast Louisiana's Partner Agency program. As a participant in the program, the club must be in compliance with various financial, legal and accountability standards set forth by United Way.

10. FEDERAL FINANCIAL ASSISTANCE

The Club receives funding through various programs, such as the Boys & Girls Clubs of America as a subrecipient of funds provided by the Office of Justice Programs, AmeriCorps, and the Louisiana Dept of Education. Grant expenditures for the year ended December 31, 2022, was as follows:

<u>Grantor</u>	<u>Grant Name/Number</u>	<u>Expenditures</u>
Boys & Girls Clubs of America	OJP 2021-50282	\$ 20,000
AmeriCorp	2021-2022	99,703
AmeriCorp	2022-2023	93,335
LA Dept of Education - CACFP	CACFP 22	43,470
LA Dept of Education - CACFP	Century 21	131,385
LA Dept of Education - SFSP	SFSP 21	75,373
Totals		\$ 463,266

Boys and Girls Club of North Louisiana, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2022

11. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and Cash Equivalents	\$ 2,520,120
Investments	487,322
Receivables	<u>127,283</u>
Total	\$ <u><u>3,134,725</u></u>

12. SUBSEQUENT EVENTS

Date of Management Evaluation

Management has evaluated subsequent events through September 15, 2023, the date on which the financial statements were available to be issued.

Boys and Girls Club of North Louisiana, Inc.
Schedule of Compensation, Reimbursements, Benefits,
and Other Payments to Agency Head
For the Year Ended December 31, 2022

Schedule 1

Agency Head:

Executive Director - Mr. Eldonta' Osborne

Purpose:

Salary	\$ 136,000
Benefits - Payroll Taxes, Retirement, and Insurance	44,489
Travel	370
Reimbursements	60
Total Compensation, Benefits and Other Payments	<u><u>\$ 180,919</u></u>

See independent auditors' report.

CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

Certified Public Accountants

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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

Board of Directors
Boys and Girls Club of North Louisiana, Inc.
Ruston, Louisiana

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 Boys and Girls Club of North Louisiana, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 15, 2023.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

Board of Directors
Boys and Girls Club of North Louisiana, Inc.
Ruston, Louisiana
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Boys and Girls Club of North Louisiana, Inc.'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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2022-01.

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.

West Monroe, Louisiana
September 15, 2023

Cameron Hines & Company (APAC)

Boys and Girls Club of North Louisiana, Inc.
Schedule of Findings and Responses
For The Year Ended December 31, 2022

We have audited the financial statements of Boys and Girls Club of North Louisiana, Inc. as of and for the year ended December 31, 2022, and have issued our report thereon dated September 15, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of and for the year ended December 31, 2022, resulted in an unmodified opinion.

Section I- Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ___ yes X no Significant Deficiencies ___ yes X no

Compliance

Compliance Material to Financial Statements X yes ___ no

B. Federal Awards – N/A

Internal Control

Material Weaknesses ___yes ___no Significant Deficiencies ___yes___no

Type of Opinion on Compliance
For Major Programs

Unmodified _____ Modified _____
Disclaimer _____ Adverse _____

Are their findings required to be reported in accordance with Uniform Guidance?

C. Identification of Major Programs: N/A

Dollar threshold used to distinguish between Type A and Type B Programs.

Is the auditee a “low-risk” auditee, as defined by Uniform Guidance?

Boys and Girls Club of North Louisiana, Inc.
Schedule of Findings and Responses
For The Year Ended December 31, 2022

Section II-Financial Statement Findings

22-01 Late Submission of Financial Statements

Condition:

It was noted that the Boys and Girls Club of North Louisiana, Inc. submitted its annual financial statements after the June 30, 2023 due date.

Criteria:

Under Louisiana law, statute 33:463 requires that the Boys and Girls Club of North Louisiana, Inc. must produce and transmit an annual financial statement to the Louisiana Legislative Auditor within six months of the close of the fiscal year.

Effect:

The Boys and Girls Club of North Louisiana, Inc. is not in compliance with the state law.

Recommendation:

The Boys and Girls Club of North Louisiana, Inc. should produce and submit its financial statements before the statutory deadline.

Response:

The Boys and Girls Club of North Louisiana, Inc. has taken steps to ensure that it will produce and submit its annual financial statements in a timely manner in the future.

Section III- Federal Award Findings and Question Costs

This section is not applicable for this entity.

Boys and Girls Club of North Louisiana, Inc.
Schedule of Prior Year Findings
For the Year Ended December 31, 2022

A. Report on Internal Control and Compliance Material to the Financial Statements

None

Management Letter

No management letter was issued.

Boys and Girls Club of North Louisiana, Inc.
Management's Corrective Action Plan
For The Year Ended December 31, 2022

A. Report on Internal Control and Compliance Material to the Financial Statements

22-01 Late Submission of Financial Statements

Condition:

It was noted that the Boys and Girls Club of North Louisiana, Inc. submitted its annual financial statements after the June 30, 2023 due date.

Recommendation:

The Boys and Girls Club of North Louisiana, Inc. should produce and submit its financial statements before the statutory deadline.

Response:

The Boys and Girls Club of North Louisiana, Inc. has taken steps to ensure that it will produce and submit its annual financial statements in a timely manner in the future.

Status:

No longer applicable.

BOYS AND GIRLS CLUB OF NORTH LOUISIANA, INC.

*Independent Accountants' Report on
Applying Agreed-Upon Procedures*

For the Year Ended December 31, 2022



CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

Certified Public Accountants

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of the Boys and Girls Clubs of North Louisiana, Inc. and the Louisiana Legislative Auditor:

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, 2022 through December 31, 2022. The Boys and Girls Clubs of North Louisiana, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

The Boys and Girls Clubs of North Louisiana, Inc. 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, 2022 through December 31, 2022. 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 and associated findings are as follows:

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:¹
 - 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

¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

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**², 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: Sixteen exceptions were noted where the entity's written policies and procedures did not address the required topics.

² The Louisiana Code of Ethics is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

Board or Finance Committee³

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.
 - 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 funds⁴, 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 funds⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - 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: No exceptions noted.

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 accounts⁶ (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:
 - 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);

³ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

⁴ Proprietary and special revenue funds are defined under GASB standards. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary and special revenue operations that are not required to be budgeted under the Local Government Budget Act.

⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

⁶ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

- 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
- 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: Five exceptions noted where the person reviewing bank reconciliations was also responsible for processing payments.

*Collections (excluding electronic funds transfers)*⁷

4. Obtain a listing of deposit sites⁸ 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).

We obtained the listing and management's representation.

5. For each deposit site selected, obtain a listing of collection locations⁹ 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.
 - 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.
 - 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.
 - 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.
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.

⁷ The Collections category is not required to be tested if the entity has a third party contractor performing all collection functions (i.e., receiving collections, preparing deposits, and making deposits).

⁸ A deposit site is a physical location where a deposit is prepared and reconciled.

⁹ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office.

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.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - 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).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Findings: One exception noted where employees who collect cash shared cash drawers. Two exceptions noted where supporting documentation did not include sequentially pre-numbered receipts. Two exceptions noted where the deposit was not made within one business day of receipt.

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).

We obtained the listing and management’s representation.
 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.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - 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.
-

- 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.]

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.
 - 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 exception noted where the person responsible for processing payments was able to add or modify vendor files. One exception noted where the person responsible for mailing signed checks was also responsible for processing payments. Five exceptions noted where the disbursement documentation did not include evidence of proper segregation of duties tested under #9 above. One exception noted where the supporting documentation did not include an itemized receipt showing what was purchased.

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 cards¹⁰. Obtain management's representation that the listing is complete.

We obtained the listing and management's representation.

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:

¹⁰ Including cards used by school staff for either school operations or student activity fund operations.

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.]

- b) Observe that finance charges and late fees were not assessed on the selected statements.
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)¹¹. 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: Five exceptions noted where there was no evidence that the monthly statement was not reviewed and approved by someone other than the authorized card holder. Six exceptions noted where there was no itemized receipt identifying what was purchased. One exception noted where documentation did not show the business/public purpose of the transaction.

Travel and Travel-Related Expense Reimbursements¹² (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:
- 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).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - 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).
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

¹¹ For example, if 3 of the 5 cards selected were fuel cards, only 10 transactions would be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #12 were fuel cards, Procedure #13 would not be applicable.

¹² Non-travel reimbursements are not required to be tested under this category.

Findings: Two exceptions noted where the reimbursement did not have evidence of approval by someone other than the person receiving the reimbursement.

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 Law¹³ (e.g., solicited quotes or bids, advertised), if required by law.
- 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).
- 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).
- 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: No exceptions noted.

Payroll and Personnel

16. Obtain a listing of employees and officials¹⁴ 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.

We obtained the listing and management's representation.

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 officials¹⁵ 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

¹³ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

¹⁴ "Officials" would include those elected, as well as board members who are appointed.

¹⁵ "Officials" would include those elected, as well as board members who are appointed.

- leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
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.
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.

Findings: Three exceptions noted where employees did not document their daily attendance. Three exceptions noted where there no evidence that a supervisor approved the attendance and leave of the selected employee. Two exceptions noted where there was no documentation of attendance for a termination payment to an employee.

*Ethics*¹⁶

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.
 - 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: This procedure is not applicable to the entity.

¹⁶ The Louisiana Code of Ethics is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a nonprofit, the procedures should be performed.

*Debt Service*¹⁷

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.
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: This procedure is not applicable to the entity.

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.
24. Observe the entity has posted, on its premises¹⁸ and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.¹⁹

Findings: No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "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.
 - 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

¹⁷ This AUP category is generally not applicable to nonprofit entities; however, if applicable, the procedures should be performed.

¹⁸ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

¹⁹ This notice is available for download or print at www.la.la.gov/hotline.

responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

- 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: We performed the procedure and discussed the results with management.

Sexual Harassment²⁰

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.
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).
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;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Findings: This procedure is not applicable to the entity.

Management's Response

²⁰ A private non-profit that is subject to audit by virtue of the receipt of public funds does not appear to be subject to the sexual harassment law, R.S. 42:341, et seq. However, the non-profit could be subject to the law as part of its agreement to receive the public funds.

We concur with the results of the procedures and are working diligently to improve controls.

We were engaged by the Boys and Girls Clubs of North Louisiana, Inc. 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 the Boys and Girls Clubs of North Louisiana, Inc. 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.

Cameron, Hines & Company (APAC)

West Monroe, Louisiana
September 15, 2023
