

BATON ROUGE BAR FOUNDATION
Baton Rouge, Louisiana

AUDITED FINANCIAL STATEMENTS
For the Year Ended December 31, 2017



TWRU
CPAs & Financial Advisors

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT.....	1
FINANCIAL STATEMENTS:	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES.....	4
STATEMENT OF CASH FLOWS.....	5
NOTES TO FINANCIAL STATEMENTS	6
SUPPLEMENTAL SCHEDULES:	
SCHEDULE OF REVENUES AND EXPENDITURES BY GRANT.....	12
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENDITURES	13
SCHEDULE OF FUNDRAISING EXPENDITURES	14
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD, POLITICAL SUBDIVISION HEAD OR CHIEF EXECUTIVE OFFICER.....	15
INDEPENDENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING</i> <i>STANDARDS</i>	16
SCHEDULE OF FINDINGS AND RESPONSES.....	17





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, 2017, and the related statements of activities 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, 2017, 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 schedules on pages 12 through 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 June 13, 2018, 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
June 13, 2018



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CPAs & Financial Advisors

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

STATEMENT OF FINANCIAL POSITION
(See Notes to Financial Statements)
December 31, 2017

ASSETS

UNRESTRICTED CURRENT ASSETS:

Cash and Cash Equivalents	\$ 209,551
Accounts Receivable	1,670
Grants Receivable	66,887
Certificates of Deposit	17,537
Other Current Assets	<u>2,414</u>

TOTAL UNRESTRICTED CURRENT ASSETS 298,059

RESTRICTED CURRENT ASSETS:

Cash and Cash Equivalents	<u>5,847</u>
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TOTAL CURRENT ASSETS \$ 303,906

PROPERTY AND EQUIPMENT:

Furniture and Fixtures	99,117
Equipment	1,603
Computers	43,066
Building Improvements	58,551
Building	<u>537,634</u>

TOTAL PROPERTY AND EQUIPMENT 739,971
Less Accumulated Depreciation 402,546
337,425

Land	<u>150,000</u>
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NET PROPERTY AND EQUIPMENT 487,425

INVESTMENTS

Marketable Securities, Unrestricted	<u>14,361</u>
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TOTAL ASSETS \$ 805,692



LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable	\$ 1,265
Due to Affiliate	<u>29,732</u>

TOTAL LIABILITIES (ALL CURRENT)	\$ 30,997
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NET ASSETS:

Unrestricted	739,464
Temporarily Restricted	<u>35,231</u>

TOTAL NET ASSETS	<u>774,695</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 805,692</u>
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**TWRU***CPAs & Financial Advisors*

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, 2017

CHANGES IN UNRESTRICTED NET ASSETS:

Revenues:

Fundraising	\$ 54,655	
Donations	19,225	
Interest Income	531	
Lease Income	17,124	
Membership Dues	18,525	
Investment Income (Loss)	1,656	
Miscellaneous	2,907	
Total Unrestricted Revenues	<u>114,623</u>	
Net Assets Released From Restrictions	<u>219,416</u>	
Total Unrestricted Revenues and Other Support		\$ 334,039

Expenses:

Grant Expenditures	250,016	
General and Administrative	140,825	
Fundraising	<u>24,759</u>	
Total Expenses		<u>415,600</u>

Increase in Unrestricted Net Assets (81,561)

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:

Grant Revenue	223,689	
Net Assets Released From Restrictions	<u>(219,416)</u>	
Increase in Temporarily Restricted Net Assets		<u>4,273</u>

Increase in Net Assets (77,288)

Net Assets at Beginning of Year 851,983

Net Assets at End of Year \$ 774,695



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, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ (77,288)
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:	
Depreciation	20,163
Unrealized Gain on Marketable Securities	(1,323)
Decrease (Increase) in Assets:	
Accounts Receivable	6,553
Grants Receivable	(5,228)
Other Current Assets	11,269
Increase in Liabilities:	
Accounts Payable	977
Due to Affiliate	<u>5,435</u>
NET CASH USED BY OPERATING ACTIVITIES	\$ (39,442)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Computers	(3,844)
Sale of Marketable Securities	(35)
Interest Reinvested into Certificate of Deposit	<u>(109)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(3,988)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(43,430)
BEGINNING CASH AND CASH EQUIVALENTS	<u>258,828</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 215,398</u>



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

NOTES TO FINANCIAL STATEMENTS -1-
December 31, 2017

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 financial statement presentation of the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets are resources that are free of donor-imposed or time restrictions and are available at the direction of the governing board. Temporarily restricted net assets are resources that are limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by specific action pursuant to those stipulations. Permanently restricted net assets are those resources whose use is limited to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by specific action. The Foundation does not have any permanently restricted net assets.

Revenue Recognition - The Foundation accounts for contributions as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions are reported as increases 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 statement of activities as net assets released from restrictions.

Grants for fee income are recorded as unrestricted net assets in the Statement of Activities. All grantee-restricted support is reported as an increase in temporarily restricted net assets in the Statement of Activities. When the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reports as net assets released on the Statement of Activities.

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.

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.



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

NOTES TO FINANCIAL STATEMENTS -2-
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2017.

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 2017, 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.

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.



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

NOTES TO FINANCIAL STATEMENTS -3-
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising – The Foundation expenses advertising costs as they are incurred. The Foundation did not advertise during 2017.

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 a different bank totaling \$17,537 at December 31, 2017. This certificate bears interest at 0.15% and matures in March 2019. 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, 2017, 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, 2017 were \$299 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, 2017:

	<u>2016</u>
Interest and Dividends	\$ 333
Unrealized Gain, net	<u>1,323</u>
Total investment gain	<u>\$ 1,656</u>

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.



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

NOTES TO FINANCIAL STATEMENTS -4-
December 31, 2017

NOTE 4: DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

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, 2017.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Pooled Funds held by Baton Rouge Area Foundation	\$ -	\$ 14,361	\$ -
Total	<u>\$ -</u>	<u>\$ 14,361</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, 2017 was \$2,400.

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 2017, the Foundation paid a net amount of \$208,454 to the Association for joint expenses. At December 31, 2017, the Foundation owes \$29,732 to the Association for these types of expenses.



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

NOTES TO FINANCIAL STATEMENTS -5-
December 31, 2017

NOTE 5: RELATED PARTY TRANSACTIONS (CONTINUED)

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: TEMPORARY RESTRICTIONS ON NET ASSETS AND DESIGNATIONS

Temporarily restricted net assets were available for the following purposes at December 31, 2017:

American College of Bankruptcy Grant	\$ 771
Disaster Recovery Grant	315
Financial Literacy	5,423
Flood Donations	2,200
LA Flood Recovery Grant	2,932
Pro Bono IOLTA Grant	4,883
Pro Bono SLLSC Grant	4
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
Wilson Foundation Grant	<u>3,070</u>
	<u>\$ 35,231</u>

Net assets released from restrictions during the year ended December 31, 2017 of \$219,416 were for program expenses as follows:

Pro Bono IOLTA Grant	\$ 65,000
Pro Bono SLLC Grant	51,998
Youth Education	30,548
Med Law Grant	21,660
Baton Rouge Area Foundation Grant	19,915
IOLTA Flood Recovery Grant	13,000
Wilson Foundation	6,930
Teen Court (LANO) Grant	7,865
Law Day Grant	<u>2,500</u>
	<u>\$ 219,416</u>



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

NOTES TO FINANCIAL STATEMENTS -6-
December 31, 2017

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 2014.

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, 2017, the Foundation received \$14,724 and is stated on the Statement of Activities under lease income.

NOTE 9: SUBSEQUENT EVENTS

The Foundation has evaluated all subsequent events through June 13, 2018, 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, 2017

	Pro Bono IOLTA Grant	Pro Bono SLLC Grant	Youth Education Grant	Med Law Grant	BRAF Grant	Flood Recovery Grant	Wilson Foundation Grant	Teen Court LANO Grant	Law Day Grant	TOTAL
GRANT REVENUE	\$ 65,000	\$ 52,000	\$ 30,548	\$ 21,660	\$ 19,915	\$ 13,000	\$ 10,000	\$ 9,066	\$ 2,500	\$ 223,689
EXPENDITURES										
City Court Costs	-	90	-	-	-	-	-	-	-	90
Computer Usage Fee	350	5,431	-	2,100	3,650	-	750	175	-	12,456
Meetings and Seminars	607	193	1,933	501	44	-	2,722	2,910	2,865	11,775
Office Supplies	812	1,213	1,101	-	-	-	27	189	-	3,342
Postage	460	729	360	-	-	-	50	78	-	1,677
Printing	1,292	1,483	530	-	-	-	435	508	677	4,925
Professional Fees	2,848	-	400	-	1,015	-	46	525	-	4,834
Salaries and Employee Benefits	62,699	37,510	24,690	19,304	27,400	17,766	2,900	3,480	-	195,749
Technology Fees	1,800	-	-	-	-	-	-	-	-	1,800
Telephone	500	1,780	2,280	480	-	-	-	-	-	5,040
Travel	1,547	336	350	42	-	68	-	-	-	2,343
Utilities	-	3,233	2,752	-	-	-	-	-	-	5,985
TOTAL EXPENDITURES	72,915	51,998	34,396	22,427	32,109	17,834	6,930	7,865	3,542	250,016
REVENUE IN EXCESS OF EXPENDITURES (EXPENDITURES IN EXCESS OF REVENUES)	\$ (7,915)	\$ 2	\$ (3,848)	\$ (767)	\$ (12,194)	\$ (4,834)	\$ 3,070	\$ 1,201	\$ (1,042)	\$ (26,327)

Note: During the year ended December 31, 2017, 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 GENERAL AND ADMINISTRATIVE EXPENDITURES
(See Notes to Financial Statements)
For the Year Ended December 31, 2017

Bank Charges	\$	1,098
Computer and Technology		43,893
Depreciation		20,163
Insurance		10,682
Janitorial		4,240
Miscellaneous		1,007
Office Supplies		4,193
Postage		15
Printing		1,953
Professional Fees		13,153
Program Expenses		6,038
Repairs and Maintenance		22,820
Salaries and Employee Benefits		3,000
Scholarships		3,000
Training		3,052
Travel		366
Utilities		2,152
		<hr/>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$	<u>140,825</u>



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

SCHEDULE OF FUNDRAISING EXPENDITURES
(See Notes to Financial Statements)
For the Year Ended December 31, 2017

Meetings	\$ 15,166
Office Supplies	136
Postage	126
Printing	742
Professional Fees	1,089
Salaries	<u>7,500</u>
TOTAL FUNDRAISING EXPENDITURES	<u>\$ 24,759</u>



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, 2017

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.





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, 2017, 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 June 13, 2018.

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.

CPAs and Financial Advisors
Baton Rouge, Louisiana
June 13, 2018

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

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2017

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.

