

**LOUISIANA ALLIANCE OF
CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

FINANCIAL STATEMENTS

DECEMBER 31, 2019

**LOUISIANA ALLIANCE OF
CHILDREN’S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana Alliance of Children's Advocacy Centers
New Orleans, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the Louisiana Alliance of Children's Advocacy Centers (a non-profit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

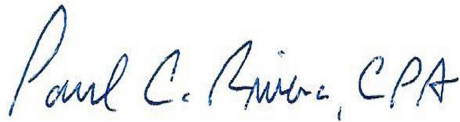
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Alliance of Children's Advocacy Centers as of December 31, 2019, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

My audit was made for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation Paid to Agency Head or Chief Executive Officer, which is included in the Supplementary Information Section on page 15, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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 or 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 my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated May 29, 2020, on my consideration of Louisiana Alliance of Children's Advocacy Centers' internal control over financial reporting and my 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 my 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 Louisiana Alliance of Children's Advocacy Centers' 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 Louisiana Alliance of Children's Advocacy Centers' internal control over financial reporting and compliance.



Marrero, Louisiana
May 29, 2020

FINANCIAL STATEMENTS

**LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019**

| | <u>2019</u> |
|--|--------------------------|
| ASSETS | |
| CURRENT ASSETS | |
| Cash and cash equivalents | \$ 40,775 |
| Accounts receivable | 5,000 |
| Grants receivable | <u>51,605</u> |
| Total Current Assets | <u>97,380</u> |
| PROPERTY AND EQUIPMENT | |
| Property and equipment, net of accumulated depreciation of \$42. | <u>3,366</u> |
| OTHER ASSETS | |
| Deposit | <u>-</u> |
| TOTAL ASSETS | <u><u>\$ 100,746</u></u> |
| LIABILITIES AND NET ASSETS | |
| CURRENT LIABILITIES | |
| Accounts payable | \$ 7,045 |
| Insurance premiums payable | - |
| Accrued salaries | 3,125 |
| Payroll taxes payable | <u>337</u> |
| TOTAL LIABILITIES | <u>10,507</u> |
| NET ASSETS | |
| Without donor restrictions | 90,239 |
| With donor restrictions | - |
| Total Net Assets | <u>90,239</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 100,746</u></u> |

The accompanying notes are an integral part of these statements.

**LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|--|------------------|
| Revenues, Gains, and Other Support | | | |
| Membership dues | \$ 9,500 | \$ - | \$ 9,500 |
| Contributions | 79,295 | - | 79,295 |
| Fundraising | 4,186 | - | 4,186 |
| Registration fees | - | - | - |
| Operating support and grants | (14,000) | 237,449 | 223,449 |
| Investment return, appropriated from short-term investments | 454 | - | 454 |
| Donated salaries and benefits | - | - | - |
| Donated facilities | 4,518 | - | 4,518 |
| Donated services and equipment | 4,000 | - | 4,000 |
| Miscellaneous | - | - | - |
| Net assets released from donor restrictions | | | |
| Satisfaction of program restrictions - LCLE (VOCA) 2017/18 | 67,889 | (67,889) | - |
| Satisfaction of program restrictions - NCA (CHILD ABUSE) 2019 | 106,000 | (106,000) | - |
| Satisfaction of program restrictions - LCLE (VOCA) 2018 | 39,881 | (39,881) | - |
| Satisfaction of program restrictions - DOA/OVC/LYCTC 2019/20 | 8,679 | (8,679) | - |
| Satisfaction of program restrictions - SRCAC 2018 | 15,000 | (15,000) | - |
| Total Revenues, Gains, and Other Support | 325,402 | - | 325,402 |
| Expenses | | | |
| Program services | | | |
| LCLE - VOCA Grants | 116,530 | - | 116,530 |
| NCA - Child Abuse Grants | 103,623 | - | 103,623 |
| DOA/OVC - LYCTC Contract | 9,650 | - | 9,650 |
| SRCAC - Child Abuse Grants | 15,821 | - | 15,821 |
| Total Program Services | 245,624 | - | 245,624 |
| Supporting services | | | |
| General and Support | 11,871 | - | 11,871 |
| Total Supporting Services | 11,871 | - | 11,871 |
| Total Expenses | 257,495 | - | 257,495 |
| TOTAL CHANGE IN NET ASSETS | 67,907 | - | 67,907 |
| NET ASSETS AT BEGINNING OF YEAR | 22,332 | - | 22,332 |
| NET ASSETS AT END OF YEAR | \$ 90,239 | \$ - | \$ 90,239 |

The accompanying notes are an integral part of these statements.

LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

| | Program Services | | | | Total Program Services | Supporting Services | 2019 Grand Total |
|--|------------------------|------------------------------|------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| | LCLE VOCA Grants | NCA Child Abuse Grants | DOA/OVC LYCTC Contract | SRCAC Child Abuse Grants | | General and Support | |
| Salaries and related benefits | \$ 35,809 | \$ 28,486 | \$ 8,680 | \$ 7,296 | \$ 80,271 | \$ 465 | \$ 80,736 |
| Advertising and marketing | 45 | - | - | - | 45 | - | 45 |
| Bank charges | - | - | - | - | - | 206 | 206 |
| Contractors | 17,256 | 7,048 | 674 | 7,704 | 32,682 | 3,670 | 36,352 |
| Depreciation | - | - | - | - | - | 529 | 529 |
| Insurance - liability/D&O | - | 3,410 | - | - | 3,410 | - | 3,410 |
| Interest expense | - | - | - | - | - | 9 | 9 |
| Loss on disposal of assets | - | - | - | - | - | 556 | 556 |
| Miscellaneous/other expenses | - | 1,697 | - | - | 1,697 | 1,709 | 3,406 |
| Occupancy | | | | | | | |
| Rent | - | - | - | - | - | 4,518 | 4,518 |
| Supplies and office expenses | 40,273 | 103 | - | - | 40,376 | - | 40,376 |
| Subgrant payments | | | | | | | |
| NCA - direct support to CACs | - | 42,000 | - | - | 42,000 | - | 42,000 |
| NCA - subgrants to CACs | - | 14,000 | - | - | 14,000 | - | 14,000 |
| Training | - | 100 | - | - | 100 | - | 100 |
| Travel (hotel, mileage, per diems, etc.) | 15,147 | 6,779 | 296 | 821 | 23,043 | 209 | 23,252 |
| Website | 8,000 | - | - | - | 8,000 | - | 8,000 |
| | <u>\$ 116,530</u> | <u>\$ 103,623</u> | <u>\$ 9,650</u> | <u>\$ 15,821</u> | <u>\$ 245,624</u> | <u>\$ 11,871</u> | <u>\$ 257,495</u> |

The accompanying notes are an integral part of these statements.

**LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019**

| | <u>2019</u> |
|---|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Change in Net Assets | \$ 67,907 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 529 |
| Loss on disposal of equipment | 556 |
| Changes in operating assets and liabilities: | |
| Accounts receivable | (5,000) |
| Grants receivable | (14,862) |
| Contributions receivable | - |
| Accounts payable | (17,665) |
| Insurance premiums payable | (480) |
| Accrued salaries | 3,125 |
| Payroll taxes payable | 337 |
| Due to granting agencies | - |
| Net Cash Provided By (Used In) Operating Activities | <u>34,447</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Purchase of fixed assets | (3,348) |
| Net Cash Provided By (Used In) Investing Activities | <u>(3,348)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 31,099 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 9,676 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u><u>\$ 40,775</u></u> |
| NON-CASH ACTIVITIES: | |
| Acquisition of property through donations | <u><u>\$ -</u></u> |

The accompanying notes are an integral part of these statements.

**LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW OREANS, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Activity

Louisiana Alliance of Children's Advocacy Centers (the Alliance) is a nonprofit organization dedicated to supporting the development, growth and continuation of Children's Advocacy Centers (CACs) in the State of Louisiana. This includes supporting the CAC member programs in the education of the public, the legislature, and the courts in Louisiana regarding the status and needs of abused children.

The Alliance is supported by member contributions and by grant funds and contracts from the National Children's Alliance, the State of Louisiana, and the Southern Regional Chapter of CACs to provide administration, training and support of the Alliance and the participating CAC members. Facilities are provided courtesy of the Children's Advocacy Center in New Orleans, Louisiana.

Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions 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 net assets with donor restrictions. When a donor 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 activity as net assets released from restrictions.

The Alliance reports gifts of goods and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Alliance reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

**LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services, Goods and Facilities

Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking accounts, savings accounts, or certificates of deposit, if any.

Property and Equipment

Property and equipment are recorded at cost when purchased and at fair market value when received as a donation. Expenditures for maintenance, repairs, and minor renewals are charged against earnings as incurred. Depreciation is computed using the straight-line method over the useful lives of the assets. The lives range from 3 to 7 years.

Income Taxes

The Alliance is classified as a supporting organization under Section 509(a)(3) and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 121(5) of Title 47 of the Louisiana Revised Statutes of 1950. The Alliance is a non-private foundation under IRS guidelines.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of support and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Alliance has evaluated subsequent events through May 29, 2020, the date the financial statements were available to be issued.

**LOUISIANA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019**

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents totaled \$40,775 at December 31, 2019. The Federal Deposit Insurance Corporation (FDIC) insures the balances for up to \$250,000. At December 31, 2019, bank balances totaled \$58,547 and were covered by FDIC insurance.

3. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2019 consisted of the following:

| Asset Category | 2019 |
|-------------------------------|----------|
| Furniture and fixtures | \$ - |
| Office equipment | 3,408 |
| Leasehold improvements | - |
| | 3,408 |
| Less accumulated depreciation | (42) |
| | \$ 3,366 |

Depreciation expense for the year ended December 31, 2019 was \$529.

4. DONATED EMPLOYEES, GOODS AND FACILITIES

Donated employees, goods and facilities are included as follows in the accompanying financial statements:

| | 2019 |
|--------------------|----------|
| Revenues | |
| Donated facilities | \$ 4,518 |
| | \$ 4,518 |
| Expenses | |
| Rent | \$ 4,518 |
| | \$ 4,518 |

**LOUISIANA ALLIANCE OF CHILDREN’S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019**

4. DONATED EMPLOYEES, GOODS AND FACILITIES (CONTINUED)

The Alliance relocated its office to the New Orleans Children’s Advocacy Center in August 2018. Prior to that, the Executive Director was utilizing a home office. The value of the office space provided in New Orleans was valued based on current market rates and recorded as both a revenue and an expense on the Statement of Activity. All of the donated facilities are considered as “donated without restrictions”.

In addition, an in-kind donation of \$4,000 was recorded as donated equipment and services on the Statement of Activity in 2019. The company providing website design services to the Alliance donated 50 percent of the value of the work. Thus, there is an expense of \$8,000 and the in-kind donation of \$4,000, resulting in a net cost of \$4,000.

5. AVAILABILITY OF FINANCIAL ASSETS

At December 31, 2019, the Alliance had the following financial assets available within one year of the balance sheet for general expenditures:

| | |
|---------------------------|------------------|
| Cash and cash equivalents | \$ 40,775 |
| Accounts receivable | 5,000 |
| Grants receivable | <u>51,605</u> |
| | <u>\$ 97,380</u> |

As part of the Alliance’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Alliance has no open lines of credit on which to draw in case of unanticipated liquidity needs; therefore, short-term cash flows are carefully monitored. The Alliance has made short-term borrowings in the past to pay some of its debts related to one of its contract/grant programs, but none during 2019.

6. EXPENSES BY NATURE AND FUNCTION

The costs of providing the various programs and general and support activities have been presented in the Statement of Functional Expenses.

The Alliance incurs general and support costs which are attributable to one or more programs and/or supporting functions. These costs include depreciation, rent, office and computer supplies, postage, printing and copying costs, and utilities. These costs have not been allocated among the programs.

**LOUISIANA ALLIANCE OF CHILDREN’S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019**

6. EXPENSES BY NATURE AND FUNCTION (CONTINUED)

The salaries and benefits of the Alliance’s Executive Director have been allocated to the various programs based on estimated time allocations to each program. Most other program costs are direct costs and are charged to each program accordingly.

7. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2019, there were no net assets with donor restrictions nor were there any Alliance imposed restrictions on any net assets.

The Alliance received a number of donor restricted funds/grants during 2019. A breakdown of the amounts received and spent are as follows:

| <u>Program/Source Title</u> | <u>Amount</u> | <u>Federal CFDA</u> | <u>Grant or Contract No.</u> |
|--|-------------------|-------------------------|----------------------------------|
| Louisiana Commission on Law Enforcement (Child Abuse) 2017 | \$ 57,889 | 16.575 | 2016-VA-03-3917 |
| Louisiana Commission on Law Enforcement (Child Abuse) 2018 | 39,881 | 16.575 | 2018-VA-03-5253 |
| National Children's Alliance (VOCA) 2019 | 106,000 | 16.758 | 2018-CI-FX-K003 |
| Southern Regional Children's Advocacy Center (VOCA) 2018 | 15,000 | 16.758 | 2016-CI-FX-K002 |
| State of Louisiana - DOA/OVC - LYCTC Contract 2019/20 | 8,679 | State | 2000449874 |
| | <u>\$ 227,449</u> | | |

The Child Abuse grants funded through the Louisiana Commission on Law Enforcement are pass-through federal grants from the Crime Victims Assistance Program (CFDA #16.575). The VOCA (Victims of Crime Act) grants are federal pass-through grants coming from either the National Children’s Alliance or the Southern Regional Chapter of CACs (CFDA # 16.758). All of the donor restricted funds have been spent in accordance with the program requirements.

The State of Louisiana – DOA/OVC – LYCTC Contract is a state contract signed on October 1, 2019 between the State of Louisiana Office of Victims of Crime (OVC) and the Alliance. The Alliance is to serve as the primary sub-recipient of the Louisiana Child and Youth Trafficking Collaborative (LYCTC) grant from the OVC. The Alliance is to sub-contract with nine CACs in the State to hire regional Child and Youth Trafficking Coordinators. The Alliance will provide oversight, communication, support, training, technical assistance, collaboration and guidance to the CACs to work towards the goals and objectives of the grant. The grant term is from October 1, 2019 to June 30, 2020 and is for \$370,020. As noted above, only \$8,679 has been recognized in 2019 as the program was being set up throughout the various CACs.

**LOUISIANA ALLIANCE OF CHILDREN’S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2019**

7. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

At December 31, 2019, grants receivable have been accrued on these grants/contracts in the following amounts.

| <u>Program/Source Title</u> | <u>Amount</u> |
|--|------------------|
| Louisiana Commission on Law Enforcement (Child Abuse) 2018 | \$ 39,881 |
| National Children's Alliance (VOCA) 2019 | 3,045 |
| State of Louisiana - DOA/OVC - LYCTC Contract 2019-/20 | 8,679 |
| | <u>\$ 51,605</u> |

These receivables relate to expenses incurred prior to year-end that have been claimed with the granting agencies but have not yet been received.

8. CONTRIBUTIONS AND PROMISES TO GIVE

No significant promises to give to the Alliance exist at December 31, 2019 outside of the expectation that the member CACs will continue to provide membership fees at the current level of \$500 per year. For 2019, these membership fees generated \$9,500 in revenues and support (of which, \$5,000 is shown in accounts receivable on the Statement of Net Position).

Private contributions totaled \$79,295 and fundraising efforts produced \$4,186 in revenues for 2019. There were no direct costs associated with these fundraising efforts as they were mostly related to group “give” days.

9. SUBSEQUENT EVENTS – COVID 19 PANDEMIC

In early March, the COVID-19 virus was declared a global pandemic, and it unfortunately continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management of the Alliance is carefully monitoring the situation and evaluating its options during this time. Since most of its assets are short-term in nature, there is no effect on their fair value as of the date of this report. The various grants and contracts are also still in place, therefore, future funding and program services do not appear to be jeopardy at this time. No adjustments have been made to these financial statements as a result of this uncertainty.

OTHER SUPPLEMENTARY INFORMATION

LA ALLIANCE OF CHILDREN'S ADVOCACY CENTERS

SCHEDULE OF COMPENSATION AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2019

Agency Head Name/Title: Kathryn Shipley, Executive Director

| <u>Purpose</u> | <u>Amount</u> |
|--|---------------|
| Salary | \$ 75,000 |
| Benefits - Insurance (Group Health) | - |
| Benefits - Retirement | - |
| Benefits - Other | - |
| Payroll Taxes | 5,738 |
| Car Allowance | - |
| Vehicle Provided by Agency | No |
| Dues | - |
| Per Diem | - |
| Reimbursements | |
| Travel (mileage, fuel, etc) | 2,903 (1) |
| Telephone (cellphone) | - |
| Registration Fees | - |
| Conference Travel | 6,053 (2) |
| Continuing Professional Education Fees | - |

Notes to Schedule:

- (1) Travel includes reimbursements for mileage to and from CAC site visits for peer reviews, training, support, etc.
- (2) Conference travel includes costs related to airfare, rental cars, and lodging for symposiums, training, chapter summits, etc.

REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS

**INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Louisiana Alliance of Children's Advocacy Centers
New Orleans, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Louisiana Alliance of Children's Advocacy Centers (the Alliance), a non-profit entity, which collectively comprise of the Alliance's statement of financial position as of December 31, 2019 and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated May 29, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing my audit of the financial statements, I considered the Alliance's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Alliance's internal control. Accordingly, I do not express an opinion on the effectiveness of the Alliance'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 Fire Department's financial statements will not be prevented, or detected and corrected in 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.

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

COMPLIANCE AND OTHER MATTERS

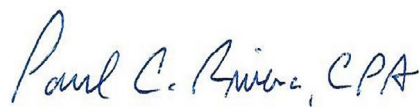
As part of obtaining reasonable assurance about whether the Alliance's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Alliance's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the information of the Board of Directors, management, the Louisiana Legislative Auditor, the State of Louisiana, and pass-through agencies, and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.


May 29, 2020

**LOUISIANA ALLIANCE OF CHILDREN’S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2019**

I have audited the financial statements of the Louisiana Alliance of Children’s Advocacy Centers, Inc. (the Alliance) as of and for the year ended December 31, 2019, and have issued my report thereon dated May 29, 2020. I conducted my 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.

SECTION I - SUMMARY OF AUDITOR’S RESULTS

- The auditor’s report expresses an unmodified opinion on the financial statements of the Alliance for the fiscal year ended December 31, 2019.
- No significant deficiencies related to the audit of the financial statements are reported in the *Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the Alliance were disclosed during the audit.
- The Alliance was not subject to a Single Audit under OMB's Uniform Guidance Circulars.
- No separate written management letter was issued for the year ended December 31, 2019.

SECTION II - FINANCIAL STATEMENT FINDINGS

Not Applicable

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Not Applicable

**LOUISIANA ALLIANCE OF CHILDREN’S ADVOCACY CENTERS
NEW ORLEANS, LOUISIANA**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Year Ended December 31, 2019**

SECTION IV - STATUS OF PRIOR YEAR FINDINGS

The status of findings and questioned costs noted in prior years is noted below:

FINANCIAL STATEMENT FINDINGS

| Prior Year Comment No. | Description | Status |
|-----------------------------------|--|---|
| SD # 18-01 | Inadequate segregation of duties. | Resolved. |
| SD # 18-02 | Preparation of financial statements is done by external auditor. | Resolved. While the external auditor prepared some of the report, the management of the Alliance also provided sufficient input to the preparation of the report. |