

The Boys and Girls Clubs of the Timber Ridge, Inc.

*Financial Statements
For the Year Ended December 31, 2018*



The Boys and Girls Clubs of the Timber Ridge, Inc.
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For the Year Ended December 31, 2018

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
The Boys and Girls Clubs of the Timber Ridge, Inc.
Homer, Louisiana 71040

We have reviewed the accompanying financial statements of The Boys and Girls Clubs of the Timber Ridge, Inc., (a nonprofit organization), which comprise of the statement of financial position of as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Cameron, Hines & Company (APAC)

West Monroe, Louisiana

June 24, 2019

Boys and Girls Clubs of the Timber Ridge, Inc.
Statement of Financial Position
December 31, 2018

"See Independent Accountants' Review Report"

ASSETS	
Cash and Cash Equivalents	\$ 9,825
Receivables	17,484
Furniture & Equipment, net	13,462
TOTAL ASSETS	<u>\$ 40,771</u>

LIABILITIES AND NET ASSETS	
Liabilities	
Accounts Payable	\$ 800
Accrued Liabilities	6,318
Notes Payable	6,329
Total Liabilities	<u>13,447</u>
Net Assets	
Without Donor Restrictions	
Undesignated	13,862
Invested in property and equipment, net of related debt	13,462
With Donor Restrictions	
Time or use restricted for future periods	-
Total Net Assets	<u>27,324</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 40,771</u>

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

Boys and Girls Clubs of the Timber Ridge, Inc.
Statement of Activities
For the Year Ended December 31, 2018

"See Independent Accountants' Review Report"

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, Gains, And Support			
Grants	\$ -	\$ 39,469	\$ 39,469
Contributions	41,013	-	41,013
Membership Dues	410	-	410
Fund Raising and Special Events	12,169	-	12,169
Miscellaneous	35,108	-	35,108
Total Revenues, Gains And Support	<u>88,700</u>	<u>39,469</u>	<u>128,169</u>
 Net Assets Released From Restrictions			
Satisfaction of Program Restrictions	<u>39,469</u>	<u>(39,469)</u>	<u>-</u>
 Total Revenues, Gains, and Other Support	128,169	-	128,169
 Expenses:			
Program Services	62,953	-	62,953
Support Services	11,804	-	11,804
Fundraising	3,933	-	3,933
Total Expenses	<u>78,690</u>	<u>-</u>	<u>78,690</u>
 Increase (Decrease) in Net Assets	49,479	-	49,479
 Net Assets at Beginning of Year	<u>(22,155)</u>	<u>-</u>	<u>(22,155)</u>
 NET ASSETS AT END OF YEAR	<u>\$ 27,324</u>	<u>\$ -</u>	<u>\$ 27,324</u>

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

Boys and Girls Clubs of the Timber Ridge, Inc.
Schedule of Functional Expenses
For the Year Ended December 31, 2018

"See Independent Accountants' Review Report"

	Program Services	Support Services	Fund Raising	Total 2018
Salaries & Wages	\$ 25,142	\$ 4,714	\$ 1,572	\$ 31,428
Payroll Taxes and Fringe Benefits	2,069	388	129	2,586
Professional Fees	4,003	751	250	5,004
Dues & Subscriptions	2,037	382	127	2,546
Maintenance & Repairs	466	87	30	583
Insurance	2,779	521	174	3,474
Interest Expense	4,574	858	285	5,717
Program Supplies & Expenses	8,318	1,560	519	10,397
Office Expenses	3,490	654	218	4,362
Contract Labor	378	71	23	472
Utilities & Telephone	7,414	1,390	463	9,267
Depreciation	2,283	428	143	2,854
Totals	\$ 62,953	\$ 11,804	\$ 3,933	\$ 78,690

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

Boys and Girls Clubs of the Timber Ridge, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2018

"See Independent Accountants' Review Report"

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Granting Agencies and Contributors	\$ 90,160
Payments to Suppliers for Goods and Services	(48,482)
Payments to Employees	(31,428)
Payment of Payroll Taxes & Fringe Benefits	(2,586)
Net Cash Provided (Used) by Operating Activities	<u>7,664</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Equipment	<u>-</u>
Net Cash Provided (Used) by Investing Activities	<u>-</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds From Borrowings	7,850
Payments On Borrowings	(6,401)
Net Cash Provided (Used) by Financing Activities	<u>1,449</u>

Net Increase (Decrease) in Cash and Cash Equivalents 9,113

Cash and Cash Equivalents at Beginning of Year 712

Cash and Cash Equivalents at End of Year \$ 9,825

**Reconciliation of Operating Income to Net Cash Provided
by Operating Activities:**

Increase in Net Assets	\$ 49,479
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Forgiveness of Debt	(30,127)
Depreciation	2,854
Increase in Accounts Receivable	(7,882)
Decrease in Accounts Payable and Accrued Expenses	(6,660)
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,664</u>

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

The Boys and Girls Clubs of the Timber Ridge, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

The accompanying financial statements include only the operations of The Boys and Girls Clubs of the Timber Ridge, Inc., in Homer, LA. The Organization was formed to provide assistance to boys and girls of Claiborne Parish. The main sources of revenues are gifts from the public, allocations from grants, local dues and fund-raisers.

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. Cash Equivalents

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

D. 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, 2018, the Organization does not have any donor-imposed restrictions that are perpetual in nature.

E. Support and Revenue

The Boys and Girls Clubs of the Timber Ridge, Inc. receives its support primarily from the Boys and Girls Club of America, and from the State of Louisiana, Department of Education. In the event revenues are restricted at the time of receipt by time or use, they are initially reported as restricted revenues and are then shown as reclassifications in the without donor restrictions

The Boys and Girls Clubs of the Timber Ridge, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2018

category when the restrictions are satisfied either by passage of time or by expenditure for the specified purpose.

F. Contributions

All contributions are considered to be available for undesignated use unless specifically restricted by donor. Amounts received that are restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a time or donor restriction expires, net assets are reclassified to assets without donor restrictions.

G. Property and Equipment

Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair market value. Such donations are reported as undesignated contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies donor restricted net assets to undesignated net assets at that time. Property and equipment are depreciated using the straight-line method. The Organization has no capitalization policy.

Fixed assets are included on the balance sheet net of accumulated depreciation. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives with respect to major classes of depreciable assets as follows:

Equipment	5-10 Years
Improvements	27 ½ Years

H. Functional Allocations of Expenses

The costs of program services, administrative services and fund-raising expenses are allocated. At the current time, most costs are allocated based on an estimated time spent by employees as 80% programs services, 15% administrative services and 5% fund-raising.

I. 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.

J. Income Taxes

As an affiliate of the National Organization, the Organization is a not-for-profit organization that is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code.

The Boys and Girls Clubs of the Timber Ridge, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2018

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, 2018, 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 2015 are closed.

2. CASH AND CASH EQUIVALENTS

At December 31, 2018, the club has cash and cash equivalents (book balances) totaling \$9,825 as follows:

Demand deposits	\$	9,825
Totals	\$	<u>9,825</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2018, the Organization has \$7,047 in deposits (collected bank balances). These deposits are secured from risk by \$7,047 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

3. GRANTS AND ACCOUNTS RECEIVABLE

The receivables at December 31, 2018 are as follows:

Cooperative Endeavor Agreement - Haynesville	\$	2,500
Cooperative Endeavor Agreement - Homer		2,500
State of Louisiana LYFE Grant		8,719
Boys & Girls Clubs – OJP		3,765
Totals	\$	<u>17,484</u>

The Boys and Girls Clubs of the Timber Ridge, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2018

4. FIXED ASSETS

As of December 31, 2018, fixed assets and organization costs consist of:

Equipment	\$	101,248
Building improvements		43,281
Subtotal		144,529
Less accumulated depreciation		(131,067)
Total	\$	13,462
Organization costs	\$	621
Less accumulated amortization		(621)
Total	\$	0

Depreciation expense for the year ended December 31, 2018 was \$2,854.

5. NOTES PAYABLE

Notes payable at December 31, 2018 consist of the following:

Citizen's Bank

\$5,000 unsecured line of credit @ 7% interest,
 Payable monthly. Matures September, 2019

\$ 1,329

\$5,000 Unsecured line of credit @ 7% interest,
 payable monthly. Matures December, 2019.

\$ 5,000

Total \$ 6,329

6. DONATED SERVICES AND USE OF FACILITY

The Organization receives the use of its building from the Claiborne Parish Police Jury at no cost. The Organization pays all other occupancy costs. The Organization also has volunteers who work at no cost. These donations are not recorded on the books of the organization.

7. DONATED MATERIALS

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of materials and equipment are recorded as undesignated support.

The Boys and Girls Clubs of the Timber Ridge, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2018

8. COMMITMENT AND CONTINGENCIES

The Organization receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowable expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the organization and the Federal or State Agency. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the organizations financial position.

9. ECONOMIC DEPENDENCY

The Organization receives the majority of its revenue from funds provided through grants administered through various Federal and State programs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations. In addition, the Organization relies on local contributions from individuals, businesses, and other organizations. These contributions vary from year-to-year, and can be effected by the local economy and other circumstances.

10. COMPENSATED ABSENCES

The Organization does not have compensated absences.

11. COMPENSATION PAID TO BOARD MEMBERS

No compensation was paid to any board member during the year under review.

12. 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	\$ 9,825
Accounts receivable to be collected within one year	17,484
Total	\$ <u>27,309</u>

The Boys and Girls Clubs of the Timber Ridge, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2018

12. FORGIVENESS OF DEBT

In June 2018 the Internal Revenue Service accepted the Organization's offer-in-compromise for unpaid unemployment taxes, penalties and interest from the 2010 – 2013 tax years. The accepted offer was for the amount of \$10,015, less payments received during the process of \$3,459, which left a remaining balance of \$6,556 at June 1, 2018. The accepted offer requires 24 monthly payments of \$274, beginning June 20, 2018. At December 31, 2018, the remaining balance due is \$4,638. The forgiven debt of \$30,127 is included in Miscellaneous Revenues in the Statement of Activities for year 2018.

13. SUBSEQUENT EVENTS

Date of Management Evaluation

Management has evaluated subsequent events through June 24, 2019, the date on which the financial statements were available to be issued.

Supplementary Information

The Boys and Girls Clubs of the Timber Ridge, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2018

Schedule 1

<u>Grant Title</u>	<u>Fund Number</u>	<u>Sub-Grant Award Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Justice:				
Office of Juvenile Justice and Delinquency Provention, subgranted to:				
Boys & Girls Club of America				
Juvenile Mentoring Program				
Homer Unit		OJP 2017 42469	16.726	\$ 7,500
Haynesville Unit		OJP 2017 42725	16.726	7,081
Total Department of Justice				14,581
Total Federal Awards				\$ 14,581

See independent accountants' review report.

**Boys and Girls Clubs of the Timber Ridge, Inc.
 Schedule of Compensation, Reimbursements, Benefits,
 and Other Payments to Agency Head
 For the Year Ended December 31, 2018**

Schedule 2

Agency Head:

Chief Professional Officer - Sonya Webb

None

Purpose:

Salary	\$	-
Benefits - Payroll Taxes and Insurance		-
Travel		-
Reimbursements		-
Total Compensation, Benefits and Other Payments	\$	-

See independent accountants' review report.

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Certified Public Accountants

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Directors of The Boys and Girls Clubs of the Timber Ridge, Inc.:

We have performed the procedures enumerated below, which were agreed to by The Boys and Girls Clubs of the Timber Ridge, Inc. and the Louisiana Legislative Auditor (the specified parties), on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2018, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Agency's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

The Boys and Girls Clubs of the Timber Ridge, Inc. provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended December 31, 2018:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
<u>Boys & Girls Clubs National Youth Mentoring Programs (OJP 2016) (Homer 42469)</u>	1/13/2018 thru 12/31/2018	16.726	7,500
<u>Boys & Girls Clubs National Youth Mentoring Programs (OJP 2017) (Haynesville 42725)</u>	1/13/2018 thru 12/31/2018	16.726	7,081
Louisiana Youth for Excellence Grant (LYFE) Contract No. 10763 2000363002	7/1/2018 thru 12/31/2018		24,888
Total Expenditures			39,469

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Each of the eighteen items selected disbursements agreed to the amount and payee in the supporting documentation.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

All of the disbursements were coded to the correct fund and general ledger account.

5. Report whether the selected disbursements were approved in accordance with the Agency's policies and procedures.

Inspection of documentation supporting each of the twelve selected disbursements indicated approvals from the bookkeeper and the board president (chief volunteer officer).

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Activities allowed or unallowed

We compared documentation for each of the selected disbursements with program compliance requirements related to services allowed or not allowed. No exceptions were noted.

Eligibility

We compared documentation for each of the selected disbursements with program compliance requirements related to eligibility. No exceptions were noted.

Reporting

We compared documentation for each of the selected disbursements with program compliance requirements related to reporting. No exceptions were noted.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

There were no close-out reports for the three programs listed in Procedure 1. The amounts reported as expenditures on the periodic requests for payment agreed to the agency's financial records and amounts received from the grantors. (All three programs were expenditure driven grants.)

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

The Boys and Girls Club of the Timber Ridge, Inc. is not subject to the open meetings law.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The Boys and Girls Club of the Timber Ridge, Inc provided budgets to the applicable grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The agency's report was submitted to the Legislative Auditor before the statutory due date of June 30, 2019.

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The Agency's management represented that the Agency did not enter into any contracts during the fiscal year that were subject to the public bid law.

Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

In the review engagement for the year ended December 31, 2017, we reported that there were too few personnel involved in the accounting system to have adequate separation of duties for internal control. The Club has taken measures to improve its internal control system, but due to its small size, it is difficult to separate all incompatible duties.

This condition still exists.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Agency's compliance with the foregoing matters. 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.

The purpose of this report is solely to describe the scope of testing performed on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, 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 Louisiana Legislative Auditor as a public document.

Cameron, Hines & Company (APAC)

West Monroe, Louisiana

June 24, 2019

**The Boys and Girls Clubs of the Timber Ridge, Inc.
Schedule of Findings and Responses
For The Year Ended December 31, 2018**

Current Year Finding and Responses

18-01 Lack of Separation of Incompatible Duties

Condition:

The Boys and Girls Clubs of the Timber Ridge, Inc. has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

Criteria:

Effective internal controls require that there be segregation of duties within the accounting function in order to reduce the risk of both errors and inappropriate actions.

Cause:

The Club has a small staff size that does not allow for proper segregation of duties.

Potential Effect:

The Club does not have proper segregation of duties and is at greater risk for not preventing or identifying errors and inappropriate actions once they have occurred.

Recommendation:

To the extent possible other Club personnel or Board members could assist with incompatible duties.

Response:

Due to our small size, it is very difficult to completely separate incompatible duties. The Board has taken steps to improve its internal control system. An outside consultant with not-for-profit experience was hired to perform monthly reconciliations and assist with our accounting system.

The Boys and Girls Clubs of the Timber Ridge, Inc.
Schedule of Findings and Responses
For The Year Ended December 31, 2018

Prior Year Findings

17-01 Lack of Separation of Incompatible Duties

Condition:

The Boys and Girls Clubs of the Timber Ridge, Inc. has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

Criteria:

Effective internal controls require that there be segregation of duties within the accounting function in order to reduce the risk of both errors and inappropriate actions.

Cause:

The Club has a small staff size that does not allow for proper segregation of duties.

Potential Effect:

The Club does not have proper segregation of duties and is at greater risk for not preventing or identifying errors and inappropriate actions once they have occurred.

Recommendation:

To the extent possible other Club personnel or Board members could assist with incompatible duties.

Response:

Due to our small size, it is very difficult to completely separate incompatible duties. The Board has taken steps to improve its internal control system. An outside consultant with not-for-profit experience was hired to perform monthly reconciliations and assist with our accounting system.

Status:

Not Cleared.

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)**

June 8, 2019

Cameron, Hines & Company, APAC
Certified Public Accountants
P.O. Box 2474
West Monroe, LA 71294-2474

In connection with your review of our financial statements as of December 31, 2018 and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 8, 2019.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes [X]

No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [X]

No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [X]

No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [X]

No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes [X] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

No [] Yes [X]

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

[] Yes [X] No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [X] No []

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

[] Yes [X] No

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No [X]

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

[] Yes [X] No

We have evaluated our compliance with these laws and regulations prior to making these representations.

[] Yes [X] No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

[] Yes [X] No

We have made available to you all records that we believe are relevant to the foregoing agreed-

upon procedures.

Yes [X] No

[]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [X] No

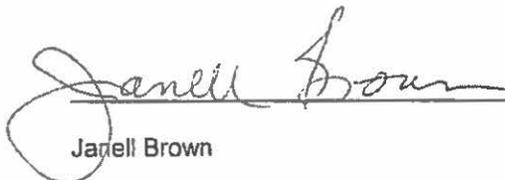
[]

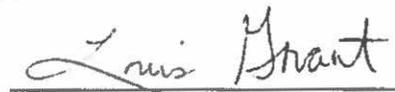
We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [X] No

[]

The previous responses have been made to the best of our belief and knowledge.

 _____ Interim CFO 6/8/2019
Jarell Brown

 _____ President 6/8/2019
Louis Grant