

**BOYS AND GIRLS CLUBS  
OF ACADIANA, INC.**

Financial Report

Years Ended December 31, 2022 and 2021

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## INDEPENDENT AUDITOR'S REPORT

Victor R. Slaven, CPA\* - retired 2020  
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\* A Professional Accounting Corporation

To the Board of Directors  
Boys and Girls Clubs of Acadiana, Inc.  
Lafayette, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Boys and Girls Clubs of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Boys and Girls Clubs of Acadiana, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys and Girls Clubs of Acadiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys and Girls Clubs of Acadiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2023, on our consideration of Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Boys and Girls Clubs of Acadiana, Inc.'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 Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
June 27, 2023

## **FINANCIAL STATEMENTS**

BOYS AND GIRLS CLUBS OF ACADIANA, INC.  
Lafayette, Louisiana

Statements of Financial Position  
December 31, 2022 and 2021

|   | 2022         | 2021         |
|---|--------------|--------------|
| <b>ASSETS</b>                             |              |              |
| Current assets:                           |              |              |
| Cash and cash equivalents                 | \$ 2,288,842 | \$ 1,666,514 |
| Other receivables                         | 109,378      | 30,254       |
| Prepaid expenses                          | 14,846       | 8,262        |
| Total current assets                      | 2,413,066    | 1,705,030    |
| Property and equipment, net               | 842,563      | 842,953      |
| Total assets                              | \$ 3,255,629 | \$ 2,547,983 |
| <b>LIABILITIES AND NET ASSETS</b>         |              |              |
| Current liabilities:                      |              |              |
| Accounts and payroll withholdings payable | \$ 49,311    | \$ 44,280    |
| Scholarships                              | 15,635       | 15,635       |
| Current maturities of long-term debt      | 3,874        | 3,679        |
| Total current liabilities                 | 68,820       | 63,594       |
| Noncurrent liabilities:                   |              |              |
| Long-term debt, less current portion      | 136,715      | 143,924      |
| Total liabilities                         | 205,535      | 207,518      |
| Net assets:                               |              |              |
| Without donor restrictions                | 2,990,327    | 2,300,052    |
| With donor restrictions                   | 59,767       | 40,413       |
| Total net assets                          | 3,050,094    | 2,340,465    |
| Total liabilities and net assets          | \$ 3,255,629 | \$ 2,547,983 |

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.  
Lafayette, Louisiana

Statements of Activities  
For the Year Ended December 31, 2022

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
|--|-------------------------------|----------------------------|---------------------|
| Revenue, gains, and other support:     |                               |                            |                     |
| Grants:                                |                               |                            |                     |
| Federal                                | \$ 46,857                     | \$ -                       | \$ 46,857           |
| State                                  | 241,139                       | -                          | 241,139             |
| Local                                  | <u>136,732</u>                | <u>-</u>                   | <u>136,732</u>      |
| Total grants                           | <u>424,728</u>                | <u>-</u>                   | <u>424,728</u>      |
| Contributions and other:               |                               |                            |                     |
| One Campaign                           | 2,156,508                     | -                          | 2,156,508           |
| Corporate/Foundations                  | 439,800                       | 61,510                     | 501,310             |
| Associated organization/Keystone       | 2,097                         | -                          | 2,097               |
| Donated facilities                     | 62,000                        | -                          | 62,000              |
| Membership dues                        | 41,214                        | -                          | 41,214              |
| Meeting income                         | 4,750                         | -                          | 4,750               |
| Other income                           | 230,937                       | -                          | 230,937             |
| Unrealized gains (losses)              | <u>(325,720)</u>              | <u>-</u>                   | <u>(325,720)</u>    |
| Total contributions and other          | <u>2,611,586</u>              | <u>61,510</u>              | <u>2,673,096</u>    |
| Fundraising:                           |                               |                            |                     |
| Great Futures Gala                     | 123,190                       | -                          | 123,190             |
| Golf tournament                        | 22,594                        | -                          | 22,594              |
| Duck race                              | 53,241                        | -                          | 53,241              |
| Celebrity waiter                       | 108,247                       | -                          | 108,247             |
| Other events                           | 32,990                        | -                          | 32,990              |
| Donated services                       | 90,000                        | -                          | 90,000              |
| Donated materials                      | <u>48,550</u>                 | <u>-</u>                   | <u>48,550</u>       |
| Total fundraising                      | <u>478,812</u>                | <u>-</u>                   | <u>478,812</u>      |
|  | 3,515,126                     | 61,510                     | 3,576,636           |
| Net assets released from restrictions  | <u>42,156</u>                 | <u>(42,156)</u>            | <u>-</u>            |
| Total revenue gains, and other support | <u>3,557,282</u>              | <u>19,354</u>              | <u>3,576,636</u>    |
| Expenses -                             |                               |                            |                     |
| Program services:                      |                               |                            |                     |
| Education and recreation               | <u>1,571,870</u>              | <u>-</u>                   | <u>1,571,870</u>    |
| Supporting services:                   |                               |                            |                     |
| Fundraising                            | 470,026                       | -                          | 470,026             |
| Management and general                 | <u>825,111</u>                | <u>-</u>                   | <u>825,111</u>      |
| Total supporting services              | <u>1,295,137</u>              | <u>-</u>                   | <u>1,295,137</u>    |
| Total expenses                         | <u>2,867,007</u>              | <u>-</u>                   | <u>2,867,007</u>    |
| Changes in net assets                  | <u>690,275</u>                | <u>19,354</u>              | <u>709,629</u>      |
| Net assets, beginning                  | <u>2,300,052</u>              | <u>40,413</u>              | <u>2,340,465</u>    |
| Net assets, ending                     | <u>\$ 2,990,327</u>           | <u>\$ 59,767</u>           | <u>\$ 3,050,094</u> |

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.  
Lafayette, Louisiana

Statements of Activities  
For the Year Ended December 31, 2021

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total        |
|--|-------------------------------|----------------------------|--------------|
| Revenue, gains, and other support:     |                               |                            |              |
| Grants:                                |                               |                            |              |
| Federal                                | \$ 253,200                    | \$ -                       | \$ 253,200   |
| State                                  | 179,662                       | -                          | 179,662      |
| Local                                  | 71,962                        | -                          | 71,962       |
| Total grants                           | 504,824                       | -                          | 504,824      |
| Contributions and other:               |                               |                            |              |
| One Campaign                           | 1,177,648                     | -                          | 1,177,648    |
| Corporate/Foundations                  | 414,126                       | 175,533                    | 589,659      |
| Associated organization/Keystone       | 3,084                         | -                          | 3,084        |
| Donated facilities                     | 62,000                        | -                          | 62,000       |
| Membership dues                        | 13,724                        | -                          | 13,724       |
| Meeting income                         | 5,250                         | -                          | 5,250        |
| Other income                           | 168,450                       | -                          | 168,450      |
| Total contributions and other          | 1,844,282                     | 175,533                    | 2,019,815    |
| Fundraising:                           |                               |                            |              |
| Great Futures Gala                     | 278,960                       | -                          | 278,960      |
| Golf tournament                        | 36,210                        | -                          | 36,210       |
| Duck race                              | 89,395                        | -                          | 89,395       |
| Celebrity waiter                       | 60,989                        | -                          | 60,989       |
| Other events                           | 36,378                        | -                          | 36,378       |
| Donated services                       | 90,000                        | -                          | 90,000       |
| Donated materials                      | 56,807                        | -                          | 56,807       |
| Total fundraising                      | 648,739                       | -                          | 648,739      |
|  | 2,997,845                     | 175,533                    | 3,173,378    |
| Net assets released from restrictions  | 366,151                       | (366,151)                  | -            |
| Total revenue gains, and other support | 3,363,996                     | (190,618)                  | 3,173,378    |
| Expenses -                             |                               |                            |              |
| Program services:                      |                               |                            |              |
| Education and recreation               | 1,302,752                     | -                          | 1,302,752    |
| Supporting services:                   |                               |                            |              |
| Fundraising                            | 506,627                       | -                          | 506,627      |
| Management and general                 | 486,261                       | -                          | 486,261      |
| Total supporting services              | 992,888                       | -                          | 992,888      |
| Total expenses                         | 2,295,640                     | -                          | 2,295,640    |
| Changes in net assets                  | 1,068,356                     | (190,618)                  | 877,738      |
| Net assets, beginning                  | 1,231,696                     | 231,031                    | 1,462,727    |
| Net assets, ending                     | \$ 2,300,052                  | \$ 40,413                  | \$ 2,340,465 |

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.  
Lafayette, Louisiana

Statement of Functional Expenses  
For the Year Ended December 31, 2022

|                                      | Program<br>Services            | Supporting Services |                              |                                 | Total<br>Expenses   |
|--------------------------------------|--------------------------------|---------------------|------------------------------|---------------------------------|---------------------|
|                                      | Education<br>and<br>Recreation | Fundraising         | Management<br>and<br>General | Total<br>Supporting<br>Services |                     |
| Salaries, benefits and payroll taxes | \$ 968,462                     | \$ 216,606          | \$ 502,599                   | \$ 719,205                      | \$ 1,687,667        |
| Accounting and auditing              | -                              | -                   | 87,175                       | 87,175                          | 87,175              |
| Advertising (donated)                | -                              | 90,000              | 9,598                        | 99,598                          | 99,598              |
| Auto and travel                      | 5,734                          | -                   | 11,705                       | 11,705                          | 17,439              |
| Bus expense                          | 4,036                          | -                   | -                            | -                               | 4,036               |
| Celebrity waiter                     | -                              | 19,744              | -                            | 19,744                          | 19,744              |
| Contracted services                  | -                              | -                   | 40,243                       | 40,243                          | 40,243              |
| Materials (donated)                  | -                              | 48,550              | -                            | 48,550                          | 48,550              |
| Drug testing and background          | 5,393                          | -                   | 2,598                        | 2,598                           | 7,991               |
| Duck race                            | -                              | 3,958               | -                            | 3,958                           | 3,958               |
| Golf tournament                      | -                              | 3,666               | -                            | 3,666                           | 3,666               |
| Facilities rent (donated)            | 62,000                         | -                   | -                            | -                               | 62,000              |
| Insurance                            | 46,974                         | -                   | 3,845                        | 3,845                           | 50,819              |
| Interest expense                     | -                              | -                   | 4,986                        | 4,986                           | 4,986               |
| Keystone expense                     | 1,491                          | -                   | -                            | -                               | 1,491               |
| Meeting expense                      | 1,038                          | -                   | 6,362                        | 6,362                           | 7,400               |
| Membership dues                      | 11,163                         | -                   | 7,329                        | 7,329                           | 18,492              |
| Miscellaneous                        | 3,199                          | -                   | 2,232                        | 2,232                           | 5,431               |
| Postage and shipping                 | 237                            | -                   | 2,936                        | 2,936                           | 3,173               |
| Printing                             | 12,891                         | -                   | -                            | -                               | 12,891              |
| Professional fees                    | -                              | -                   | 11,123                       | 11,123                          | 11,123              |
| Ragin Cajun Kickoff Concert          | -                              | 9,560               | -                            | 9,560                           | 9,560               |
| Repairs and maintenance              | 82,467                         | -                   | 37,357                       | 37,357                          | 119,824             |
| Rent expense                         | 22,030                         | -                   | 21,100                       | 21,100                          | 43,130              |
| Great Futures Gala                   | -                              | 66,279              | -                            | 66,279                          | 66,279              |
| Supplies                             | 178,126                        | 11,663              | 34,075                       | 45,738                          | 223,864             |
| Telephone                            | 14,953                         | -                   | 8,452                        | 8,452                           | 23,405              |
| Training and conferences             | 19,723                         | -                   | 26,578                       | 26,578                          | 46,301              |
| Utilities and security               | 66,857                         | -                   | 3,853                        | 3,853                           | 70,710              |
| Total expenses before depreciation   | <u>1,506,774</u>               | <u>470,026</u>      | <u>824,146</u>               | <u>1,294,172</u>                | <u>2,800,946</u>    |
| Depreciation                         | <u>65,096</u>                  | <u>-</u>            | <u>965</u>                   | <u>965</u>                      | <u>66,061</u>       |
| Total                                | <u>\$ 1,571,870</u>            | <u>\$ 470,026</u>   | <u>\$ 825,111</u>            | <u>\$ 1,295,137</u>             | <u>\$ 2,867,007</u> |

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.  
Lafayette, Louisiana

Statement of Functional Expenses  
For the Year Ended December 31, 2021

|                                      | Program             | Supporting Services |                   |                   | Total Expenses      |
|--------------------------------------|---------------------|---------------------|-------------------|-------------------|---------------------|
|                                      | Services            |                     | Management        | Total             |                     |
|                                      | Education           |                     | and               | Supporting        |                     |
|                                      | and                 |                     | General           | Services          |                     |
|                                      | Recreation          | Fundraising         |                   |                   |                     |
| Salaries, benefits and payroll taxes | \$ 781,655          | \$ 250,697          | \$ 355,007        | \$ 605,704        | \$ 1,387,359        |
| Accounting and auditing              | 584                 | -                   | 14,020            | 14,020            | 14,604              |
| Advertising (donated)                | -                   | 90,000              | 9,781             | 99,781            | 99,781              |
| Auto and travel                      | 4,033               | -                   | 4,759             | 4,759             | 8,792               |
| Awards                               | 897                 | -                   | -                 | -                 | 897                 |
| Bus expense                          | 7,840               | -                   | -                 | -                 | 7,840               |
| Celebrity waiter                     | -                   | 13,296              | -                 | 13,296            | 13,296              |
| Contracted services                  | 640                 | -                   | 24,159            | 24,159            | 24,799              |
| Materials (donated)                  | -                   | 56,807              | -                 | 56,807            | 56,807              |
| Drug testing and background          | 5,065               | -                   | 1,271             | 1,271             | 6,336               |
| Duck race                            | -                   | 8,296               | -                 | 8,296             | 8,296               |
| Golf tournament                      | -                   | 9,047               | -                 | 9,047             | 9,047               |
| Facilities rent (donated)            | 62,000              | -                   | -                 | -                 | 62,000              |
| Insurance                            | 53,161              | -                   | 5,520             | 5,520             | 58,681              |
| Interest expense                     | -                   | -                   | 2,731             | 2,731             | 2,731               |
| Keystone expense                     | 2,504               | -                   | -                 | -                 | 2,504               |
| Meeting expense                      | 204                 | -                   | 5,949             | 5,949             | 6,153               |
| Membership dues                      | 11,083              | -                   | 750               | 750               | 11,833              |
| Miscellaneous                        | 4,325               | -                   | 5,551             | 5,551             | 9,876               |
| Postage and shipping                 | 418                 | -                   | 2,929             | 2,929             | 3,347               |
| Printing                             | 3,121               | -                   | -                 | -                 | 3,121               |
| Professional fees                    | -                   | -                   | 1,085             | 1,085             | 1,085               |
| Ragin Cajun Kickoff Concert          | -                   | 2,963               | -                 | 2,963             | 2,963               |
| Repairs and maintenance              | 115,986             | -                   | 20,007            | 20,007            | 135,993             |
| Great Futures Gala                   | -                   | 67,936              | -                 | 67,936            | 67,936              |
| Supplies                             | 116,695             | 7,585               | 8,967             | 16,552            | 133,247             |
| Telephone                            | 11,931              | -                   | 5,561             | 5,561             | 17,492              |
| Training and conferences             | 3,529               | -                   | 17,236            | 17,236            | 20,765              |
| Utilities and security               | 51,938              | -                   | 9                 | 9                 | 51,947              |
| Total expenses before depreciation   | 1,237,609           | 506,627             | 485,292           | 991,919           | 2,229,528           |
| Depreciation                         | 65,143              | -                   | 969               | 969               | 66,112              |
| Total                                | <u>\$ 1,302,752</u> | <u>\$ 506,627</u>   | <u>\$ 486,261</u> | <u>\$ 992,888</u> | <u>\$ 2,295,640</u> |

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC.  
Lafayette, Louisiana

Statements of Cash Flows  
For the Years Ended December 31, 2022 and 2021

|   | 2022         | 2021         |
|---|--------------|--------------|
| Cash flows from operating activities:   |              |              |
| Increase in net assets  | \$ 709,629   | \$ 877,738   |
| Adjustments to reconcile change in net assets<br>to net cash provided by operating activities - |              |              |
| Depreciation  | 66,061       | 66,112       |
| Changes in current assets and liabilities:  |              |              |
| Receivables   | (79,124)     | 116,064      |
| Prepaid expenses  | (6,584)      | 17,353       |
| Accounts and payroll withholdings payable   | 5,031        | (4,240)      |
| Scholarships  | -            | (4,000)      |
| Net cash provided by operating activities   | 695,013      | 1,069,027    |
| Cash flows from investing activities:   |              |              |
| Net purchase of property and equipment  | (65,671)     | -            |
| Cash flows from financing activities:   |              |              |
| Net change in deposits  | -            | 1,512        |
| Net proceeds (principal payment) on long-term debt  | (7,014)      | (207,597)    |
| Net cash used by financing activities   | (7,014)      | (206,085)    |
| Net increase in cash and cash equivalents   | 622,328      | 862,942      |
| Cash and cash equivalents, beginning of year  | 1,666,514    | 803,572      |
| Cash and cash equivalents, end of year  | \$ 2,288,842 | \$ 1,666,514 |
| Supplemental information:   |              |              |
| Interest paid   | \$ 4,986     | \$ 2,731     |

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Boys and Girls Clubs of Acadiana, Inc. (Organization) is a non-profit corporation organized under the laws of the State of Louisiana. The Organization provides a quality developmental program that empowers Acadiana's youth, especially those from disadvantaged circumstances, to become productive adults.

B. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as net assets without donor restrictions or net assets with donor restrictions.

C. Cash and Cash Equivalents

The organization considers all highly liquid investments with an original maturity of three months or less at the date of acquisition to be cash equivalents.

D. Grants Receivable/Deferred Revenues

Grants receivable and deferred revenues from grants and other support are recognized only to the extent that related expenses have been incurred.

Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free discount rates applicable to the years in which the promises are to be received.

E. Prepaid Expenses

Payments made to vendors for services that will benefit period beyond December 31, 2022 are recorded as prepaid expenses.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

F. Property and Equipment

Property and equipment are valued at cost, if purchased. Donations of property and equipment are recorded as contributions at their estimated fair value. In the absence of donor stipulations regarding how long the contributed asset must be used, the Organization has adopted a policy of implying a time restriction on contributions of such assets that expire over the useful lives of the assets. Depreciation is computed by the straight-line method at rates based the following estimated useful lives:

|                            |              |
|----------------------------|--------------|
| Buildings and improvements | 7 - 31 years |
| Furniture and equipment    | 5 - 7 years  |

G. Revenue and Expense Recognition

Contributions are recognized when the donor makes a commitment to give to the Organization. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increase that net asset class. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting. When a restriction expires, that is when a stipulated time restriction ends or purpose restrictions are accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

H. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Those costs include "Salaries, benefits, and payroll taxes" and "Utilities and security". These costs are allocated based on estimates of time and effort.

I. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service (IRS) as other than a private foundation. The Organization is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2019, 2020, and 2021 are subject to examination by the IRS, generally three years after they are filed.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

J. Compensated Absences

Vacation and sick leave are recorded as expenses of the period in which they are paid. Vacation and sick leave must be taken in the year accrued and cannot be carried over to future years. Annual sick leave is granted to employees based on the number of years of employment. Although sick leave is available for employees when needed, it does not vest nor is it payable at termination of employment.

K. Donated Facilities, Materials, and Services

The Organization receives a significant amount of donated services from unpaid volunteers who assist in program services during the year. These donated services are not reflected in the statement of activities because the criteria for recognition under professional standards have not been satisfied. Donations meeting the criteria are recorded at estimated fair value as follows:

|                   | <u>2022</u>       | <u>2021</u>       |
|-------------------|-------------------|-------------------|
| Program services: |                   |                   |
| Facilities        | \$ 62,000         | \$ 62,000         |
| Fundraising:      |                   |                   |
| Advertising       | 90,000            | 90,000            |
| Materials         | <u>48,550</u>     | <u>56,807</u>     |
| Total             | <u>\$ 200,550</u> | <u>\$ 208,807</u> |

L. Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was \$99,598 and \$99,781 for the years ended December 31, 2022 and 2021, respectively.

M. Use of Estimates

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

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(2) Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of December 31, 2022, reduced by amounts not available for general use because of contractual restrictions or Board designations within one year of the statement of financial position date.

|   |              |
|---|--------------|
| Financial assets at December 31, 2022:  | \$ 2,398,220 |
| Less those unavailable for general expenditures within one year,<br>due to contractual or donor-imposed restrictions: |              |
| Restricted by donor with time or purpose restrictions   | (59,767)     |
| Financial assets available to meet cash needs for general<br>expenditures within one year                             | \$ 2,338,453 |

As part of the Organization's liquidity management, the Organization maintains sufficient cash balances throughout the year through the receipt of grants from Federal, State, and local agencies to support the Organization's objective to provide a quality developmental program that empowers Acadiana's youth, especially those from disadvantaged circumstances, to become productive adults.

(3) Property and Equipment

Property and equipment consist of the following as of December 31, 2022 and 2021:

|                                | 2022        | 2021        |
|--------------------------------|-------------|-------------|
| Land                           | \$ 141,275  | \$ 141,275  |
| Buildings and improvements     | 1,662,181   | 1,637,729   |
| Furniture and equipment        | 416,015     | 374,796     |
| Total property and equipment   | 2,219,471   | 2,153,800   |
| Less: Accumulated depreciation | (1,376,908) | (1,310,847) |
| Property and equipment, net    | \$ 842,563  | \$ 842,953  |

Total depreciation expense for the years ended December 31, 2022 and 2021 was \$66,061 and \$66,112, respectively.

(4) Line of Credit

The Organization had a \$150,000 revolving line of credit with Gulf Coast Bank, secured by multiple indebtedness mortgages. The line of credit had an interest rate of 4.250% and matured on July 18, 2022. This outstanding line of credit was no longer considered a necessary resource; therefore, management did not renew the line of credit at maturity. At December 31, 2022, there were no outstanding borrowings.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(5) Short-term Notes Payable

As a result of the unprecedented economic disruption experienced due to the Coronavirus (COVID-19) outbreak, the CARES Act was passed and signed into law on March 27, 2020. This law provided several coronavirus relief options available to small businesses and nonprofit organizations including the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan Program (EIDL). The PPP, administered by the Small Business Administration (SBA), was designed to provide a direct incentive for small businesses to keep their employees on the payroll. SBA would forgive these loans if all employee retention criteria were met, and the funds were used for eligible expenses. In April 2020, the Organization received a PPP Loan in the amount of \$205,200 which was fully forgiven in March 2021.

Additionally, in May 2020, the Organization received \$10,000 from SBA and was awarded an EIDL loan totaling \$150,000 at an interest rate of 2.75% payable over thirty (30) years. See Note 6 for additional information on this loan.

(6) Long-term Debt

At December 31, 2022 and 2021, long-term debt was comprised of the following:

|  | 2022       | 2021       |
|--|------------|------------|
| EIDL Secured Disaster Loan Note payable to U.S. Small Business Administration, due May 2050, due in monthly installments of \$641 beginning May 2021, bearing interest at 2.75%. | \$ 140,589 | \$ 147,603 |
| Less current maturities of long-term debt  | 3,874      | 3,679      |
| Net long-term debt   | \$ 136,715 | \$ 143,924 |

The future maturities of long-term debt are as follows:

| Year ending<br>December 31, | Amount     |
|-----------------------------|------------|
| 2023                        | \$ 3,874   |
| 2024                        | 3,982      |
| 2025                        | 4,093      |
| 2026                        | 4,207      |
| 2027                        | 4,324      |
| Thereafter                  | 120,109    |
| Total                       | \$ 140,589 |

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(7) Net Assets

Net assets as of December 31, 2022 and 2021 was comprised of the following:

|                             | 2022        | 2021        |
|-----------------------------|-------------|-------------|
| With donor restrictions:    |             |             |
| Purpose restricted          | \$ 59,767   | \$ 40,413   |
| Without donor restrictions: |             |             |
| Undesignated                | 2,990,327   | 2,300,052   |
| Net assets                  | \$3,050,094 | \$2,340,465 |

(8) Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following at December 31, 2022 and 2021:

|                                   | 2022      | 2021      |
|-----------------------------------|-----------|-----------|
| Unspent funds from the following: |           |           |
| Area Council                      | \$ 3,169  | \$ 3,169  |
| First National Bank               | 5,521     | 11,789    |
| Taco Bell Foundation              | 51,077    | 25,455    |
|                                   | \$ 59,767 | \$ 40,413 |

(9) Net Assets Released from Restrictions

Detail of net assets released from restrictions for the years ended December 31, 2022 and 2021 follows:

|                                    | 2022      | 2021       |
|------------------------------------|-----------|------------|
| Purpose restrictions accomplished: |           |            |
| BGCA - Anonymous Donor             | \$ -      | \$ 106,262 |
| Bridgestone                        | -         | 8,600      |
| Capital One                        | -         | 20,000     |
| Cheniere Energy                    | -         | 17,000     |
| First National Bank                | 6,268     | 13,211     |
| Meyers Family Foundation           | -         | 100,000    |
| Taco Bell Foundation               | 35,888    | 101,078    |
|                                    | \$ 42,156 | \$ 366,151 |

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(10) Retirement Benefits

The Organization sponsors a 401k plan that covers full-time and eligible part-time employees. Contributions made by the organization are 4% of annual salaries. The Organization made contributions of \$34,236 and \$27,455 for the years ended December 31, 2022 and 2021, respectively.

(11) Government Grants

Government grants consist of the following for the years ended December 31:

|   | 2022      | 2021       |
|---|-----------|------------|
| Federal grants:   |           |            |
| Bureau of Justice   | \$ 46,857 | \$ 48,000  |
| Small Business Administration - COVID-19 relief -<br>PPP loan forgiveness | -         | \$ 205,200 |
| Total federal grants  | 46,857    | 253,200    |
| State grants:   |           |            |
| AmeriCorp   | 216,561   | 165,403    |
| Louisiana Children's Trust Fund   | 24,578    | 14,259     |
| Total state grants  | 241,139   | 179,662    |
| Local grants:   |           |            |
| Lafayette Consolidated Government   | 59,298    | 5,350      |
| United Way  | 77,434    | 66,612     |
| Total local grants  | 136,732   | 71,962     |
| Total grants  | \$424,728 | \$ 504,824 |

(12) Concentration of Credit Risk

The Organization maintains cash balances at financial institutions, which at times may exceed federally insured limits. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022, cash balances (bank balances) were fully insured. At December 31, 2021, cash balances (bank balances) exceeded the federally insured limit by approximately \$394,526 and were exposed to custodial credit risk. The Organization has not experienced any loss on such deposits, nor has it adopted a policy for custodial credit risk.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(13) Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Boys and Girls Clubs of Acadiana, Inc. expects such amounts, if any, to be immaterial. Also, a liability for findings and questioned costs is not established until final disposition of such matters by the funding agency.

(14) Risk Management

The Boys and Girls Clubs of Acadiana, Inc. is exposed to risks of loss in the areas of health care, general liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements have not exceeded insurance coverage in any of the past three years.

(15) Compensation, Benefits, and Other Payments to Agency Head

The Organization's agency head did not receive any compensation, benefits, or other payments from public funds for the year ended December 31, 2022.

(16) Fair Value Measurements

Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The Organization's significant financial instruments are cash and cash equivalents, grants receivable, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

(17) Subsequent Event Review

The Organization's management has evaluated subsequent events through June 27, 2023, the date which the financial statements were available to be issued.

(18) Litigation and Claims

During the year ending December 31, 2021, the Organization was named in a lawsuit. The parties involved negotiated a resolution to this claim and entered into a confidential settlement of the claim which was fully covered by the Organization's insurance; therefore, no amounts related to this matter are reflected in the financial statements as of December 31, 2022 and 2021.

**INTERNAL CONTROL, COMPLIANCE**

**AND**

**OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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## 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  
Boys and Girls Clubs of Acadiana, Inc.  
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Boys and Girls Clubs of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 27, 2023.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Boys and Girls Clubs of Acadiana, Inc.'s (Organization) internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. 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 suited for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
June 27, 2023

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended December 31, 2022

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

There were no internal control findings.

B. Compliance

There were no compliance findings.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

There were no internal control findings.

B. Compliance

There were no compliance findings.