

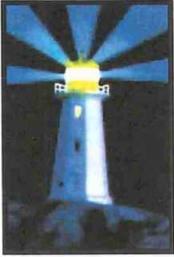
**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**JUNE 30, 2018 AND 2017**

LOUISIANA CENTER FOR CHILDREN'S RIGHTS

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JUNE 30, 2018 AND 2017

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**BERNARD & FRANKS**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors  
Louisiana Center for Children's Rights  
New Orleans, Louisiana

We have reviewed the accompanying financial statements of Louisiana Center for Children's Rights (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company 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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement 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.

### **Accountant's 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 contained in the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer 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 not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

*Bernard & Franks*

Metairie, Louisiana  
November 6, 2018

**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**STATEMENT OF FINANCIAL POSITION**

**JUNE 30, 2018 AND 2017**

	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 504,114	\$ 469,591
Accounts receivable	56,533	20,000
Unconditional promises to give, current portion	587,384	381,500
Lease value of building	-	55,406
Prepaid expenses	31,406	30,976
Total current assets	\$ 1,179,437	\$ 957,473
<b>PROPERTY AND EQUIPMENT</b>	\$ 103,061	\$ 103,061
Less, accumulated depreciation	(82,929)	(71,041)
	\$ 20,132	\$ 32,020
<b>OTHER ASSETS</b>		
Long-term portion of unconditional promises to give	\$ 310,620	\$ 161,500
Total other assets	\$ 310,620	\$ 161,500
 Total assets	 \$ 1,510,189	 \$ 1,150,993
 <b>CURRENT LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Payroll liabilities	\$ 12,000	\$ -
Vacation accrual	15,231	12,850
Total current liabilities	\$ 27,231	\$ 12,850
 <b>NET ASSETS (DEFICIT)</b>		
Unrestricted	\$ 24,182	\$ (42,617)
Temporarily restricted	1,458,776	1,180,760
Total net assets	\$ 1,482,958	\$ 1,138,143
 Total current liabilities and net assets	 \$ 1,510,189	 \$ 1,150,993

See accompanying notes and accountant's reports.

**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Grants	\$ 124,269	\$ 1,702,738	\$ 1,827,007
Contracts	460,000	-	460,000
Contributions and fundraising	183,016	-	183,016
In kind contribution rent	12,094	-	12,094
Interest income	794	-	794
Net assets released from restrictions:			
Satisfaction of program restrictions	1,424,722	(1,424,722)	-
	\$ 2,204,895	\$ 278,016	\$ 2,482,911
<b>EXPENSES</b>			
Program services	\$ 1,912,820	\$ -	\$ 1,912,820
Supporting services			
General and administrative	75,741	-	75,741
Fund raising	149,535	-	149,535
	\$ 2,138,096	\$ -	\$ 2,138,096
Increase (decrease) in net assets	\$ 66,799	\$ 278,016	\$ 344,815
NET ASSETS (DEFICIT) BEGINNING OF THE YEAR	(42,617)	1,180,760	1,138,143
NET ASSETS END OF THE YEAR	\$ 24,182	\$ 1,458,776	\$ 1,482,958

See accompanying notes and accountant's reports.

**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Grants	\$ 199,144	\$ 517,500	\$ 716,644
Contracts	460,000	-	460,000
Contributions and fundraising	245,231	-	245,231
Miscellaneous	61,950	-	61,950
Net assets released from restrictions:			
Satisfaction of program restrictions	1,298,265	(1,298,265)	-
Total revenues, gains and support	\$ 2,264,590	\$ (780,765)	\$ 1,483,825
<b>EXPENSES</b>			
Program services	\$ 1,939,884	\$ -	\$ 1,939,884
Supporting services			
General and administrative	72,063	-	72,063
Fund raising	152,293	-	152,293
Total expenses	\$ 2,164,240	\$ -	\$ 2,164,240
Increase (decrease) in net assets	\$ 100,350	\$ (780,765)	\$ (680,415)
<b>NET ASSETS BEGINNING OF THE YEAR</b>	(142,967)	1,961,525	1,818,558
<b>NET ASSETS (DEFICIT) END OF THE YEAR</b>	\$ (42,617)	\$ 1,180,760	\$ 1,138,143

See accompanying notes and accountant's reports.

LOUISIANA CENTER FOR CHILDREN'S RIGHTS

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Supporting Services</u>			<u>Total</u>
	<u>Program Service</u>	<u>General and Administrative</u>	<u>Fund Raising</u>	
Compensation and related expenses				
Compensation	\$ 1,319,220	\$ 56,612	\$ 102,286	\$ 1,478,118
Employee benefits and taxes	273,386	11,732	21,197	306,315
Total	<u>\$ 1,592,606</u>	<u>\$ 68,344</u>	<u>\$ 123,483</u>	<u>\$ 1,784,433</u>
Client records and welfare	\$ 7,290	\$ -	\$ -	\$ 7,290
Computers and maintenance	19,917	855	1,544	22,316
Consultants and contractors	119,895	1,083	1,957	122,935
Copier and maintenance	2,624	113	203	2,940
Depreciation	10,610	455	823	11,888
Fundraising	-	-	12,687	12,687
Grants to others	750	-	-	750
Insurance	13,212	567	1,024	14,803
Law library	3,119	-	-	3,119
Legal research	1,832	-	-	1,832
Marketing	446	19	35	500
Meals and entertainment	2,114	91	164	2,369
Miscellaneous	4,445	191	345	4,981
Office expense	12,073	522	943	13,538
Policy	190	-	-	190
Professional/association dues	3,783	-	-	3,783
Rent and Utilities	63,430	2,722	4,918	71,070
Tax liability-JJPL	16,065	689	1,246	18,000
Telephone	2,105	90	163	2,358
Training	2,054	-	-	2,054
Travel and transportation	27,830	-	-	27,830
Volunteer Expense	6,430	-	-	6,430
Total Expense	<u>\$ 1,912,820</u>	<u>\$ 75,741</u>	<u>\$ 149,535</u>	<u>\$ 2,138,096</u>

See accompanying notes and accountant's reports.

**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2017**

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Compensation and related expenses				
Compensation	\$ 1,277,848	\$ 54,661	\$ 102,536	\$ 1,435,045
Employee benefits and taxes	275,591	10,567	21,414	307,572
Total	<u>\$ 1,553,439</u>	<u>\$ 65,228</u>	<u>\$ 123,950</u>	<u>\$ 1,742,617</u>
Client records and welfare	\$ 6,221	\$ -	\$ -	\$ 6,221
Computers and maintenance	27,890	1,173	2,225	31,288
Consultants and contractors	96,290	957	1,815	99,062
Copier and maintenance	2,584	109	206	2,899
Depreciation	12,731	536	1,015	14,282
Fundraising	-	-	15,385	15,385
Grants to Others	76,208	-	-	76,208
Insurance	13,049	549	1,041	14,639
Law library	3,056	-	-	3,056
Legal research	1,061	-	-	1,061
Marketing	1,613	68	129	1,810
Meals and entertainment	1,972	83	157	2,212
Miscellaneous	574	24	46	644
Office expense	14,476	609	1,155	16,240
Policy	256	-	-	256
Professional/association dues	6,182	-	-	6,182
Rent and Utilities	62,701	2,638	5,001	70,340
Telephone	2,109	89	168	2,366
Training	8,497	-	-	8,497
Travel and transportation	27,773	-	-	27,773
Volunteer Expense/Intern	21,202	-	-	21,202
Total Expense	<u>\$ 1,939,884</u>	<u>\$ 72,063</u>	<u>\$ 152,293</u>	<u>\$ 2,164,240</u>

See accompanying notes and accountant's reports.

**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 344,815	\$ (680,415)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	11,888	14,282
Increase (decrease) in operating assets:		
Increase in restricted cash-fiscal agent	-	51,488
Accounts receivable	(36,533)	62,452
Unconditional promises to give	(355,004)	731,229
Lease value of building	55,406	67,500
Prepaid expenses	(429)	(569)
Deposits	-	122
Increase (decrease) in operating liabilities:		
Accounts payable	-	(3,575)
Payroll liabilities	12,000	(699)
Vacation accrual	2,380	(11,360)
Due to non-profit agencies as fiscal agent	-	(51,488)
Net cash provided by (used by) operating activities	\$ 34,523	\$ 178,967
Net increase in cash and cash equivalents	\$ 34,523	\$ 178,967
Beginning cash and cash equivalents	\$ 469,591	\$ 290,624
Ending cash and cash equivalents	\$ 504,114	\$ 469,591

See accompanying notes and accountant's reports.

# LOUISIANA CENTER FOR CHILDREN'S RIGHTS

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of the Organization

Louisiana Center for Children's Rights is a nonprofit law office that supports the juvenile defense system of Louisiana. The Organization strives to build a fairer, more compassionate, and genuinely rehabilitative juvenile justice system.

The Organization's mission statement is as follows: "We defend the right of every Louisiana child to fairness, dignity, and opportunity. Our holistic legal representation helps young people achieve their goals in court and in life; we provide resources and training for juvenile public defenders statewide; and we advocate for a juvenile justice system that is fair, compassionate, and supportive of positive youth development."

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At June 30, 2018 and 2017, the Organization did not have any permanently restricted net assets.

#### Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

#### Use of 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.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

LOUISIANA CENTER FOR CHILDREN'S RIGHTS

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable

Accounts receivable which consist of contracts for the provision of services are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The Organization considers accounts receivable to be fully collectible.

Unconditional Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on these amounts are computed using a risk-free interest rate of 5% applicable to the year in which the contribution is made. Amortization of the discount is included in contribution revenue.

Contributed Services

The Organization recognizes contributed services at their fair value if the services have value to the Organization and require specialized skills, are provided by individuals possessing those skills, and would have been purchased if not provided by contributors.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the assets as follows:

Equipment	5 years
Furniture	5 years

Contracts for service revenue is recognized as earned as the services are provided in accordance with the approved contracts.

Contributions and Grants

Contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in unrestricted net assets. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to

# LOUISIANA CENTER FOR CHILDREN'S RIGHTS

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Contributions and Grants

unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions and grants whose restrictions are met in the same reporting period are recorded as unrestricted contributions.

#### Concentrations

The Organization's primary source of revenue is derived from grants. For the year's ended June 30, 2018 and 2017, \$1,827,007 and \$716,644 or 74% and 48% of the Organization's total gross revenue was from grants, \$460,000 and \$460,000 or 19% and 31% from contract revenue, \$195,110 and \$245,231 or 7% and 17% was from contributions and fundraising.

#### Expense Allocation

The costs of providing program services and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on use rates estimated by management.

#### Income Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore has made no provision for federal income taxes in the accompanying financial statements. The Organization's Federal Exempt Information Returns (Form 990) for 2016, 2017 and 2018 are subject to examination by the IRS, generally for three years after they were filed.

#### Pending accounting pronouncements

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not for-Profit Entities, which simplifies and improves how a nonprofit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance and cash flows. Among other changes, the ASU replaces the three current classes of net assets with two new classes, net assets with donor restrictions and net assets without donor restrictions, and expands disclosures about the nature and amount of any donor restrictions. ASU 2016-14 is effective for annual periods beginning after December 15, 2017, with early adoption permitted.

LOUISIANA CENTER FOR CHILDREN'S RIGHTS

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Pending accounting pronouncements

Management is currently evaluating the impact the adoption of this guidance will have on its financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lessees to recognize right-of-use assets and lease liabilities for all leases not considered short-term leases. The ASU is effective for the Organization for the year ending December 31, 2019. The adoption of this standard is expected to result in the Organization's recognizing right-of-use assets and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on the Organization's financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

**NOTE 2. CASH AND CASH EQUIVALENTS**

The Organization maintains two bank accounts at one bank in New Orleans, Louisiana. Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) for amounts up to \$250,000 for interest bearing accounts. Cash at these institutions exceeded FDIC limits by \$254,114 and \$219,591 at June 30, 2018 and 2017, respectively.

**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017**

**NOTE 3. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following for the years ended June 30, 2018 and 2017:

	2018	2017
Equipment	\$ 57,087	\$ 57,087
Furniture	45,974	45,974
	\$ 103,061	\$ 103,061
Less accumulated depreciation	(82,929)	(71,041)
Total	\$ 20,132	\$ 32,020

Depreciation expense for the year ended June 30, 2018 and 2017 was \$11,888 and \$14,282, respectively.

**NOTE 4. UNCONDITIONAL PROMISES TO GIVE**

The Organization had the following unconditional promises to give for the years ended June 30, 2018 and 2017. The long-term portion of the assets were discounted using a 5% rate.

	2018	2017
Baptist Community Ministries	\$ 170,000	\$ 340,000
Grant Foundation	-	25,000
Schott	-	25,000
United Way	25,000	25,000
Methodist Health System Foundation	168,746	-
Andrus Foundation	-	90,000
Gaudet Fund Grant	2,500	2,500
Marguerite Casey Foundation	1,800	-
W.K. Kellogg Foundation	200,000	-
Youth Represent	10,000	-
Southern Poverty Law Center	300,000	-
Louisiana Bar Foundation	41,958	57,000
Total unconditional promises to give	\$ 920,004	\$ 564,500
Unamortized discount	(22,000)	(21,500)
Unconditional promises to give, net	\$ 898,004	\$ 543,000
Current portion	\$ 587,384	\$ 381,500
Long-term	310,620	161,500
Total	\$ 898,004	\$ 543,000

Future maturities of unconditional promises to give are as follows:

2020	\$ 310,620
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**LOUISIANA CENTER FOR CHILDREN'S RIGHTS**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2018 AND 2017**

**NOTE 5. LEASE AND DONATED FACILITIES**

On June 1, 2015, the Organization entered into a lease agreement with the City of New Orleans whereby the Organization would lease space at no cost for its administrative and program facility. The City of New Orleans owns and manages the facility. The initial term of the no cost lease will be for a three-year period that will end May 31, 2018. The City of New Orleans values the fair value of the lease (which also included services and utilities) at \$67,500 annually on a gross basis. In connection with this lease agreement, the Organization discounted the value of the three-year initial term of the lease (at 5% per year) and recorded a restricted contribution in fiscal 2015 of \$196,031.

Beginning June 1, 2018, the Organization continues to have use of the office space with services and utilities at no cost. The term is deemed to be indefinite. The Organization will continue to record an in kind rental contribution and expense at the fair market value of \$67,500.

For the years ended June 30, 2018 and 2017, net assets released from restriction was \$55,406 and \$67,500 and expense related to the lease is \$67,500.

**NOTE 6. TEMPORARILY RESTRICTED NET ASSETS**

At June 30, 2018 and 2017, the Organization had \$1,069,254 and \$1,180,760 in temporarily restricted net assets. The following schedule represents temporarily restricted net assets:

	<u>2018</u>	<u>2017</u>
Subsequent years' disbursements	\$ 1,458,776	\$ 1,125,354
Lease value of land	-	55,406
Total temporarily restricted net assets	<u>\$ 1,458,776</u>	<u>\$ 1,180,760</u>

**NOTE 7. RELATED PARTY TRANSACTION**

The Organization paid for a board chair's flights to attend the board meetings. The total for the flights for the years ended June 30, 2018 and 2017 was \$735 and \$2,290, respectively. The Board of Directors is a voluntary board; therefore, no compensation was paid to any board member during the years ended June 30, 2018 and 2017.

**NOTE 8. SUBSEQUENT EVENTS**

Subsequent events were evaluated by the Organization through November 6, 2018, which is the date the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

LOUISIANA CENTER FOR CHILDREN'S RIGHTS

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

FOR THE YEAR ENDED JUNE 30, 2018

Agency Head Name: Aaron Clark-Rizzo, Executive Director

Salary	\$	94,000
Benefits-insurance		10,517
Reimbursements		1,175
Total	\$	<u>105,692</u>



**AGREED-UPON PROCEDURES REPORT**

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

To the Board of Directors  
Louisiana Center for Children's Rights  
New Orleans, Louisiana

We have performed the procedures enumerated below, which were agreed to by Louisiana Center for Children's Rights and the Louisiana Legislative Auditor (the specified parties), on the Organization's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2018, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Organization'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.

*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 Organization's management.

We obtained the following list from management containing the list of federal and state award expenditures:

FEDERAL, STATE, OR LOCAL GRANT NAME	GRANT YEAR	CFDA #	AMOUNT
Louisiana Commission on Law Enforcement	1/1/17-12/31/17	16.540	\$ 19,299
Louisiana Commission on Law Enforcement	3/1/17-2/28/18	16.540	2,000
Louisiana Commission on Law Enforcement	1/1/18-9/30/18	16.540	18,000
Louisiana Public Defender Board	7/1/17-6/30/18		460,000
Total Expenditures			\$ 499,299

- 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.

We randomly selected six disbursements or in some cases all of the disbursements for each of the aforementioned federal and state awards administered during the period under review, as follows:

Grant	Disbursement Type	Check Date	Amount
Louisiana Commission on Law Enforcement	Payroll	7/14/2017	\$ 1,333.36
Louisiana Commission on Law Enforcement	Payroll	10/31/2017	\$ 1,333.36
Louisiana Commission on Law Enforcement	Payroll	12/27/2017	\$ 1,333.36
Louisiana Commission on Law Enforcement	Health Insurance	9/1/2017	\$ 382.06
Louisiana Commission on Law Enforcement	Health Insurance	12/1/2017	\$ 382.06
Louisiana Commission on Law Enforcement	Health Insurance	10/2/2017	\$ 382.06
Louisiana Commission on Law Enforcement	YSC Assessment	11/6/2017	\$ 500.00
Louisiana Commission on Law Enforcement	YSC Assessment	11/29/2017	\$ 500.00
Louisiana Commission on Law Enforcement	YSC Assessment	12/12/2017	\$ 668.25
Louisiana Commission on Law Enforcement	YSC Assessment	1/11/2018	\$ 141.75
Louisiana Commission on Law Enforcement	YSC Assessment	2/28/2018	\$ 190.00
Louisiana Commission on Law Enforcement	Strategies for Youth	5/7/2018	\$ 18,000.00
Louisiana Public Defender Board	Payroll	7/14/2017	\$ 1,066.05
Louisiana Public Defender Board	Payroll	9/29/2017	\$ 3,166.67
Louisiana Public Defender Board	Payroll	11/15/2017	\$ 2,666.67
Louisiana Public Defender Board	Payroll	1/31/2018	\$ 2,052.92
Louisiana Public Defender Board	Payroll	3/30/2018	\$ 1,458.33
Louisiana Public Defender Board	Payroll	4/30/2018	\$ 483.91

- 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 selected disbursements agreed to the amount and payee in the supporting documentation.

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

All of the disbursements for each award was properly coded to the correct fund and general ledger account.

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

We reviewed the disbursements and determined that they were approved in accordance with the Organization's policies and procedures. The policies and procedures state that disbursements are to be supported by a requisition form and approved by the department head. The finance manager reviews the requisitions and coordinating invoices and prepares all of the checks to be signed. After the checks are prepared, the executive director also reviews the requisitions and invoices and then signs all prepared checks. The supporting documentation included the proper signatures. For salary expenses, the finance manager maintains a schedule of employees and their related salaries. The schedule is approved by the executive manager. We traced all salary related expenses to the finance manager's schedule.

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 Organization's financial records; and report whether the amounts in the close-out reports agree with the Organization's financial records.

The selected disbursements included two federal grant awards that were closed out during the fiscal year. We compared the close-out reports for these two federal grant awards with the Organization's financial records. The amounts reported on the close-out reports agreed with the Organization's financial records.

*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.

This is not applicable to the Organization

*Budget*

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the Organization 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 Organization provided the proper documentation from the e grant system that the comprehensive budgets were submitted to the applicable federal Agency for the grants exceeding five thousand dollars. These budgets included the purpose and duration of the grant program.

*State Audit Law*

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

The Organization's report was submitted to the Legislative Auditor before the statutory due date of December 31, 2018.

11. Inquire of management and report whether the Organization 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 Organization was not in compliance with R.S. 24:513 (the audit law).

The Organization's management represented that the Organization 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 agreed-upon procedures engagement for the year ended June 30, 2017, there were no prior year suggestions, exceptions, recommendations, and/or comments.

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 Organization'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 Organization'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.

*Bernard S Franks*

Metairie, Louisiana  
November 6, 2018

**ATTACHMENTS:**

**SIGNED LOUISIANA ATTESTATION QUESTIONNAIRE**

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

\_\_\_\_\_ (Date Transmitted)  
Bernard & Franks, A Corporation of CPAs (CPA Firm Name)  
4141 Veterans Blvd. Suite 313 (CPA Firm Address)  
Metairie, LA 70002 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2018 (date) and for the year 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.

**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  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 local grantor officials.

Yes  No

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

Yes  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  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 to determine whether a non-profit agency is subject to the open meetings law.**

N/A Yes  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

Yes  No

**Reporting**

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

Yes  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 [] 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 [] No [ ]

**Prior-Year Comments**

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

N/A Yes [ ] No [ ]

**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 [] No [ ]

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

Yes [] 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 [] No [ ]

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

Yes [] No [ ]

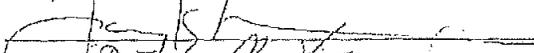
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period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

Yes [] 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 [] No [ ]

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

	Secretary	8/20/18	Date
	Treasurer	8/20/18	Date
	President	8/20/18	Date