

LOUISIANA 4-H FOUNDATION, INC.

Baton Rouge, Louisiana

Financial Report

Years Ended June 30, 2019 and 2018

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KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the Louisiana 4-H Foundation, Inc. (a nonprofit organization) (the Foundation) which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expense, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2019 and 2018, 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.

Emphasis of Matter

As described in Note 14 to the financial statements, the Foundation implemented the provisions of the Financial Accounting Standards Board's Accounting Standards Update (ASU) 201-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 20 through 21 is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2019 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

FINANCIAL STATEMENTS

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statements of Financial Position
June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 286,070	\$ 153,440
Receivables	23,496	28,744
Total current assets	309,566	182,184
Non-current assets:		
Investment, at fair value	983,136	976,666
Furniture and equipment	16,341	16,341
Accumulated depreciation	(16,317)	(15,016)
Total non-current assets	983,160	977,991
Total assets	\$ 1,292,726	\$ 1,160,175
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 38,943	\$ 16,781
Non-current liabilities:		
Deferred revenue	50,670	-
Total liabilities	89,613	16,781
Net assets:		
Without donor restrictions	179,117	137,832
With donor restrictions	1,023,996	1,005,562
Total net assets	1,203,113	1,143,394
Total liabilities and net assets	\$ 1,292,726	\$ 1,160,175

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statements of Activities
For The Years Ended June 30, 2019 and 2018

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Contributions and other -			
General contributions	\$ 59,080	\$ -	\$ 59,080
Foundation contributions	130,331	-	130,331
Contributions - LSU Foundation	3,500	-	3,500
4-H participants assistance	-	46,108	46,108
Fundraising -			
Other	48,408	-	48,408
Guns and gumbo	26,810	-	26,810
Concessions	86,531	-	86,531
Reimbursements	13,600	-	13,600
Other income	11,330	-	11,330
Interest income	40	-	40
Investment earnings, net	42,400	6,470	48,870
Net assets released from restrictions -			
Restrictions satisfied by payments	34,144	(34,144)	-
Total contributions	456,174	18,434	474,608
Expenses -			
Program services:			
Leadership and Citizenship	214,269	-	214,269
Supporting services:			
Fundraising expense	49,025	-	49,025
Management and general	151,595	-	151,595
Total expenses	414,889	-	414,889
Change in net assets	41,285	18,434	59,719
Net assets, beginning	137,832	1,005,562	1,143,394
Net assets, ending	\$ 179,117	\$1,023,996	\$1,203,113

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statement of Activities
For The Years Ended June 30, 2019 and 2018

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support			
Contributions and other -			
General contributions	\$ 122,179	\$1,003,900	\$ 1,126,079
Foundation contributions	85,600	-	85,600
Contributions - LSU Foundation	1,076	-	1,076
4-H participants assistance	-	29,550	29,550
Fundraising -			
Golf tournament	3,838	-	3,838
Guns and Gumbo	44,018	-	44,018
Concessions	108,840	-	108,840
Reimbursements	9,000	-	9,000
Other income	5,376	-	5,376
Interest income	46	-	46
Investment earnings, net	-	(23,334)	(23,334)
Net assets released from restrictions -			
Restrictions satisfied by payments	23,048	(23,048)	-
Total contributions	403,021	987,068	1,390,089
 Expenses -			
Program services:			
Leadership and Citizenship	133,016	-	133,016
Supporting services:			
Fundraising expense	37,615	-	37,615
Management and general	173,346	-	173,346
Total expenses	343,977	-	343,977
Change in net assets	59,044	987,068	1,046,112
Net assets, beginning	78,788	18,494	97,282
Net assets, ending	\$ 137,832	\$1,005,562	\$ 1,143,394

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2019

	Program Services	Supporting Services		
	Leadership and Citizenship	Fund Raising	Management and General	Total Expenses
4-H participant events	\$ 131,859	\$ -	\$ -	\$ 131,859
Donor cultivation	-	-	14,134	14,134
Foundation expenses	-	32,919	97,412	130,331
Meeting expense	-	-	4,883	4,883
Miscellaneous	21,916	16,106	5,711	43,733
Postage and shipping	-	-	1,767	1,767
Printing	-	-	81	81
Professional fees	-	-	24,260	24,260
Supplies	<u>60,494</u>	<u>-</u>	<u>2,046</u>	<u>62,540</u>
 Total expenses before depreciation	 214,269	 49,025	 150,294	 413,588
Depreciation	<u>-</u>	<u>-</u>	<u>1,301</u>	<u>1,301</u>
Total	<u>\$ 214,269</u>	<u>\$ 49,025</u>	<u>\$151,595</u>	<u>\$ 414,889</u>

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2018

	Program Services	Supporting Services		
	Leadership and Citizenship	Fund Raising	Management and General	Total Expenses
4-H participant events	\$ 78,838	\$ -	\$ -	\$ 78,838
Contributions - LSU foundation	2,875	-	-	2,875
Donor cultivation	-	-	45,662	45,662
Foundation expenses	-	19,500	92,000	111,500
Meeting expense	-	-	4,324	4,324
Miscellaneous	1,885	18,115	5,008	25,008
Pavillion expense	3,376	-	-	3,376
Postage and shipping	-	-	86	86
Professional fees	-	-	18,645	18,645
Supplies	<u>46,042</u>	<u>-</u>	<u>5,316</u>	<u>51,358</u>
 Total expenses before depreciation	 133,016	 37,615	 171,041	 341,672
Depreciation	<u>-</u>	<u>-</u>	<u>2,305</u>	<u>2,305</u>
Total	<u>\$ 133,016</u>	<u>\$ 37,615</u>	<u>\$173,346</u>	<u>\$ 343,977</u>

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Statements of Cash Flows
For The Years Ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	<u>\$ 59,719</u>	<u>\$ 1,046,112</u>
Adjustments to reconcile change in net assets to net cash flow from operating activities -		
Depreciation	1,301	2,305
Unrealized (gain) loss on investment	(6,470)	23,334
(Increase) decrease in operating assets		
Receivables	5,248	(24,404)
(Decrease) increase in operating liabilities		
Accounts payable	22,162	10,919
Deferred revenue	<u>50,670</u>	<u>-</u>
Total adjustments	<u>72,911</u>	<u>12,154</u>
Net cash provided by operating activities	132,630	1,058,266
Cash flows from investing activities:		
Purchase of investments	<u>-</u>	<u>(1,000,000)</u>
Net change in cash and cash equivalents	132,630	58,266
Cash and cash equivalents, beginning of year	<u>153,440</u>	<u>95,174</u>
Cash and cash equivalents, end of year	<u>\$ 286,070</u>	<u>\$ 153,440</u>

The accompanying notes are an integral part of this statement.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Louisiana 4-H Foundation, Inc. (Foundation) is a non-profit corporation organized under the laws of the State of Louisiana. The Foundation's mission is to secure private funding for the enhancement of the 4-H Youth Development Program. These programs assist the youth of Louisiana to learn leadership, citizenship, and life skills.

B. Financial Statement Presentation

The financial statements of the Foundation 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 of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and board of directors.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that will be met, either (1) by incurring expenses satisfying the restricted purpose (purpose restricted), and/or passage of time or other events (time restricted), or (2) will never expire (perpetual in nature). When a restriction expires, 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 restrictions.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid interest-bearing deposits with a maturity of three months or less when purchased to be cash equivalents.

D. Investments

Investments are carried at fair value. The Foundation reports investment income and gains restricted by donors as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

E. Receivables

Accounts receivable are stated at unpaid balances. The Foundation provides for losses on accounts receivable using the direct write off method. It is the Foundation's

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

policy to write off uncollectible accounts receivable when management determines the receivable will not be collected. Generally accepted accounting principles require the accrual of uncollectible receivables through an allowance account. An allowance amount would be immaterial at June 30, 2019 and 2018.

F. Revenue and Expense Recognition

Contributions are recognized when the donor makes a commitment to give and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions designated for future periods or restricted by the donor for specific purposes are reported as increases to net assets with donor restrictions. Pledges that are designated by the donor for specific beneficiaries are considered agency transactions, and are not considered contributions and thus are reduced from pledged revenues. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting.

G. Deferred Revenue

Donor stipulated donations where the donor remains the controller of the funds is accounted for as deferred revenue. The Foundation recognizes the revenue in the year in which the donor stipulations are met.

H. Income Tax Status

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The Foundation is not classified as a private foundation. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) if the Foundation has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Foundation, and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

I. Donated Services and Materials

A substantial number of volunteers have donated time to the Foundation's program and supporting services. Other donated materials and donated services are stated at their estimated fair value on the date donated. Donated services were valued at \$109,731 and \$65,000 for the years ended June 30, 2019 and 2018, respectively.

J. Property and Equipment

Land, buildings and furniture and equipment are stated at cost if purchased or estimated fair market value if donated. The Foundation maintains a threshold level of

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

\$500 or more for capitalizing capital assets. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Furniture and equipment	5 – 7 years
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Depreciation expense for the years ended June 30, 2019 and 2018 was \$1,301 and \$2,305, respectively.

K. Functional Allocation of Expenses

Expenses are summarized and categorized based on their function classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation based on time used for those functions.

L. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Investments

In September 2017, the Foundation received an irrevocable gift of \$1,000,000 from an anonymous donor to be used to establish an operating fund to improve the 4-H program and give operational support for, but not limited to, Louisiana 4-H educational trips, camps, and conferences along with any youth-driven discovery opportunities and leadership experiences for active Louisiana 4-H youth. Per the Donor Commitment Agreement, the gift was to be invested in a revenue generating fund determined by the Louisiana 4-H Foundation Board of Trustees in collaboration with a registered investor advisory representative. The funds are to be considered temporarily restricted as to principal with the intent of creating a perpetual endowed fund balance of \$1,000,000 or more.

In December 2017, the Foundation invested the \$1,000,000 gift in a Perspective II Variable and Fixed Annuity with Jackson National Life Insurance Company. The Annuity provides for a base annual distribution to the Foundation of up to 4% of the guaranteed balance of \$1,000,000.

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in inactive markets, quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The investment was valued at the net asset value (NAV) of the underlying investment held at year end. There have been no changes in the methodologies used to value the investments at June 30, 2019 and 2018.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
June 30, 2019				
Total investments	<u>\$ 983,136</u>	<u>\$ -</u>	<u>\$ 983,136</u>	<u>\$ -</u>
June 30, 2018				
Total investments	<u>\$ 976,666</u>	<u>\$ -</u>	<u>\$ 976,666</u>	<u>\$ -</u>

Gains and losses are included in the Statement of Activities for the years ended June 30, 2019 and 2018, and are reported in Investments on the Statement of Net Position.

The Foundation's policy is to recognize transfers between Levels 1 and 2 and into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer. For the years ended June 30, 2019 and 2018, there were no significant transfers between Levels 1 and 2 and no transfers into or out of Level 3.

The Foundation has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to ensure that over the medium-to-long term, sufficient investment return shall be retained to preserve and grow its economic value as a first priority and, to provide funds for the annual operating budget in an amount which is not subject to large fluctuations from year-to-year to the extent possible. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through appropriate investments. To satisfy its rate-of-return objectives, the Foundation relies on a guaranteed investment return strategy securing the original principal while providing annual guaranteed income payments.

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Notes to Financial Statements

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds. The Foundation is authorized to withdraw up to 5% of the total market value of the insurance premium reserve investment account (market value to be determined as of the last business day of the preceding year) for the organization's operating purposes. That spending percentage is applied to the three-year average of the December market value. Using a three-year market value average will help to even out any fluctuations that may occur in the value of the account. The dollar amount and timing of any distribution(s) from the investment account will be left up to the discretion of the Executive Director and the Treasurer.

Endowment net asset composition by type of fund is as follows:

	2019	2018
Donor-restricted endowment funds	\$ 983,136	\$ 976,666

Changes in endowment net assets are as follows:

	2019	2018
Endowment net assets, beginning of year	\$ 976,666	\$ -
Contributions	-	1,000,000
Investment income	42,400	-
Net appreciation (depreciation)	6,470	(23,334)
Amounts appropriated for expenditure	(42,400)	-
Endowment net assets, end of year	\$ 983,136	\$ 976,666

As of June 30, 2019, the fair value of assets related to the Foundation's endowment fund was \$983,136, which is \$16,864 less than the \$1,000,000 provided by the donor. Unless amounts in excess of the annual guaranteed payment are withdrawn, the full original principal will be paid upon maturity; therefore, the investment losses are considered to be temporary.

(3) Receivables

The following is a summary of receivables at June 30, 2019 and 2018:

	2019	2018
Concessions	\$ 14,177	\$ 26,115
Participant events	9,319	2,629
	\$ 23,496	\$ 28,744

LOUISIANA 4-H FOUNDATION, INC.
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Notes to Financial Statements

Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purpose:

	2019	2018
4-H Events- Defrays the costs incurred by 4-H participants who are being honored at or participating in various 4-H sponsored events.	\$ 34,160	\$ 22,196
Building campaign - Funds held by the 4-H Foundation to cover the costs of improvements to Camp Grant Walker.	6,700	6,700
Investment - Provides operational support for trips, camps, conferences, discovery opportunities and leadership experiences for active 4-H youth.	983,136	976,666
	\$ 1,023,996	\$ 1,005,562

(4) Liquidity and Availability of Resources

The Foundation's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	2019	2018
Cash and cash equivalents	\$ 286,070	\$ 153,440
Receivables	23,496	28,744
Total current assets	\$ 309,566	\$ 182,184

Certain assets are restricted by donors and, therefore, are not available for general expenditures. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligation come due. The Foundation does not intend to spend from its restricted assets other than amounts appropriated for general expenditures as part of its annual appropriation process.

(5) Concentration of Credit Risk

The Foundation's cash is deposited in one financial institution. Cash accounts at banks are insured by the FDIC for up to \$250,000. The Foundation's cash balances exceeded this limit by \$59,214 and \$0 at June 30, 2019 and 2018, respectively.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

(6) Risk Management

The Foundation is exposed to risks of loss in the areas of general liability and property hazards. 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 through their affiliation with the LSU system did not exceed insurance coverage during 2019 and 2018.

(7) Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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 Foundation 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.

(8) Donated Facilities

The Foundation receives the free use of office space in LSU's facilities. Additionally, the Foundation uses facilities at Camp Grant-Walker to host summer camp and various other functions for 4-H participants. Contributions and expenses related to the donated facilities amounting to \$20,600 have been reflected in the accompanying statement of activities.

(9) Subsequent Events

The Foundation has evaluated subsequent events through the date of the independent auditor's report, the date which the financial statements were available to be issued.

(10) Executive Director Compensation

The Executive Director of the Louisiana 4-H Foundation, Inc. receives no compensation, reimbursements or benefits from the Louisiana 4-H Foundation, Inc. required to be disclosed in accordance with Act 706 of the 2014 Regular Legislative Session.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

(11) On Behalf Payments

The Louisiana 4-H Foundation, Inc. has an affiliation agreement with the Louisiana State University (LSU) Foundation wherein the LSU Foundation maintains endowed funds to support 4-H activities. These funds are administered, distributed, and accounted for by the LSU Foundation. These funds are distributed, when available, to fulfill certain needs of the Louisiana 4-H Foundation, Inc. and provide participants of various 4-H organizations throughout Louisiana with scholarships, after school and summer activities and other events. During the fiscal years ended June 30, 2019 and 2018 on behalf funds distributed were \$221,126 and \$165,105, respectively. Due to the nature and custody of these funds and activities, these amounts are not reflected in the accompanying financial statements.

(12) Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-9, Revenue from Contracts with Customers (Topic 606). This guidance is a comprehensive new revenue recognition standard that will supersede substantially all existing revenue recognition guidance. The new standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In doing so, companies will need to use more judgement and make more estimates than under existing guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. Only July 9, 2015, the FASB agreed to delay the effective date of the standard by one year. Therefore, the new standard will be effective for annual periods beginning after December 15, 2018 and is not expected to have a significant impact on the Foundation's financial statements.

In November 2016, the FASB issued Accounting Standards update No. 2016-18, Statement of Cash Flows (Topic 2130). The amendments in this Update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendment is effective for fiscal years beginning December 15, 2018. The Foundation is evaluating the potential impact of the amendment on the Foundation's financial statements.

In June 2018, the FASB issued ASU 2018-08: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The amendments in this Update clarify and improve current guidance about whether a transfer of assets is a contribution or an exchange transactions, and clarifies how a not-for-profit organization determines whether a resource provider is participating in an exchange transaction. The amendments in this ASU will be effective for annual reporting periods beginning after December 15, 2018. The Foundation does not expect the guidance to have a material impact on its financial statements.

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Notes to Financial Statements

(13) Change in Accounting Pronouncements

In August 2016, the FASB issued Accounting Standards update No. 2016-14, *Not-for-Profit Entities*. The Foundation has adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standards change the following aspects of the Foundation's financial statements: the temporarily restricted and permanently restricted net assets have been combined into a single net asset class called net assets with donor restrictions; the unrestricted net asset class has been renamed net assets without donor restrictions; and the financial statements include a new disclosure about liquidity and availability of resources.

The changes have the following effect on net assets at June 30, 2018:

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Temporarily restricted	\$ 1,005,562	\$ -
Unrestricted	137,832	-
Net assets with donor restrictions	-	1,005,562
Net assets without donor restrictions	-	137,832
	<u>\$ 1,143,394</u>	<u>\$ 1,143,394</u>

**OTHER SUPPLEMENTARY
INFORMATION**

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Schedule of changes in LSU Foundation accounts
For The Year Ended June 30, 2019

Account/Function	Beginning Balance	Additions	Deductions	Ending Balance
4H Building Fund	\$ 43,188	\$ 513	\$ -	\$ 43,701
4H Good Provider	215	-	-	215
4H Best Community Club & Jr. Leadership	98	-	-	98
4H Leaders Conference	1,116	-	-	1,116
LA 4H Bank Campaign Fund	310	-	-	310
LA Campaign for 4H	30,319	9,316	39,635	-
Marsh Maneuvers Support Fund	2,005	-	-	2,005
4H Educational Trip Support Fund	29,743	26,675	29,879	26,539
Ag Magic Support Fund	1,772	-	-	1,772
Joe & Suzanne Walters Fund	2,012	1,058	766	2,304
Bonner 4H Scholarship	144	-	144	-
4H Museum Fund	12,114	232	856	11,490
Grant Walker 4H Ed Support Fund	1,137	409	1,546	-
Outdoor Skills Fund	2,892	-	-	2,892
4H Camp Environmental Ed Fund	3,811	-	-	3,811
Camp Walker Educational Track Fund	841	-	-	841
4H Camp Medical Care Fund	553	-	-	553
Gerry Lane 4H Scholarship	409	684	663	430
LA 4H Foundation Fund	29,722	47,226	69,639	7,309
John A Cox 4H Development Fund	19,597	19,335	7,471	31,461
LA Seafood Promotion	11,757	4,324	6,328	9,753
McCrary Family 4H Scholarship	1,013	717	771	959
4H Educational Trip Endowment	493	1,078	278	1,293
Rosalie Bivin 4H Faculty Award	-	1,168	1,168	-
SWEPCO 4H Camp Scholarship	2,905	517	210	3,212
Charles Fuselier Scholarship	2,949	652	405	3,196
AP & Beryl Parham Scholarship	2,101	1,562	1,472	2,191
Bruce Flint Scholarship	1,109	1,423	339	2,193
C.J. Naquin Scholarship	477	991	1,036	432
Cliff Williams Scholarship	325	682	162	845
Edward W. Gassie Scholarship	885	557	133	1,309
Gloria Perkins Scholarship	1,791	1,171	1,279	1,683
Jason McClaran Memorial Scholarship	285	1,159	777	667
Larry de la Bretonne Scholarship	2,541	682	162	3,061

(continued)

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Schedule of changes in LSU Foundation accounts (continued)
For The Year Ended June 30, 2019

Account/Function	Beginning Balance	Additions	Deductions	Ending Balance
Lod Cook Scholarship	\$ 462	\$ 593	\$ 641	\$ 414
Ruth Johnson Scholarship	423	864	706	581
Carl & Beulah Baldridge Endowment	19,188	26,679	16,398	29,469
Warren Mermilliod Fund	4,216	949	226	4,939
Jack Bagent Fund	3,490	669	159	4,000
Volunteer Leader Training Fund	-	6,110	5,773	337
John S. Sullivan Memorial Fund	4,741	1,274	307	5,708
Naomi & Lesley Flowers Fund	5,058	1,245	296	6,007
Challenge Camp Support	1,669	8,918	8,466	2,121
4-H Program Support	10,902	6,522	1,590	15,834
4-H University Program Support	2,611	6,458	1,551	7,518
Shannon Elliot Endowment	3,750	720	172	4,298
Terril D. Faul Scholarship	69	1,304	1,373	-
Beauregard CattleWomen Scholarship	11	655	156	510
Southeast District Livestock Endowment	805	2,029	1,483	1,351
Scotty Moore Memorial Scholarship	3,308	1,046	249	4,105
Richardson 4-H Youth Scholarship Endowment	5,303	1,378	328	6,353
4-H Forestry Endowment	1,597	626	149	2,074
Beatty Memorial Scholarship	3,764	1,476	1,551	3,689
Hilda D. and Vardaman Williams, Jr. Scholarship	4,433	1,179	806	4,806
Holbern "Bot" Burch Memorial Scholarship	4,039	1,177	780	4,436
Troy A. Menard Memorial Scholarship	596	1,537	1,414	719
Joe Barrett Memorial Fund	1,321	526	625	1,222
Union Parish 4-H Youth Endowment	24	566	355	235
Larry Brock Memorial Scholarship	16	972	988	-
Louis Mouch Memorial Scholarship	1,970	612	971	1,611
S.E. and Cecile Wood	1,426	749	678	1,497
Coreil 4-H Wetlands and Coastal Resources	2,518	3,445	1,474	4,489
St Charles Parish 4-H A. J. Melancon Memorial Operation: Military Kids Program Support Fund	1,604	1,362	2,324	642
	603	-	-	603
Bobby Fletcher, Sr. Endowed Fund	10	1,810	2	1,818
Lyle Maier Bayle Memorial Scholarship	2,291	2,823	2,672	2,442
Kermit Coulon Memorial 4-H Scholarship	202	937	273	866
HB Confluence Group 4-H Fund	-	1,730	1,071	659
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total balances	<u>\$ 303,049</u>	<u>\$ 211,071</u>	<u>\$ 221,126</u>	<u>\$ 292,994</u>

**INTERNAL CONTROL,
COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
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Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

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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
Louisiana 4-H Foundation, Inc.
Baton Rouge, 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 Louisiana 4-H Foundation, Inc. (a nonprofit organization) (the Foundation), which comprise the statement of financial position as of June 30, 2019 and 2018 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 October 1, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 17:3390, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

LOUISIANA 4-H FOUNDATION, INC.
Baton Rouge, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2019

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

A. Internal Control Over Financial Reporting

None reported.

B. Compliance

None reported.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

None reported.

B. Compliance

None reported.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Louisiana 4-H Foundation, Inc.
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Louisiana 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the LSU System as of June 30, 2019. The Louisiana 4-H Foundation, Inc.'s management is responsible for its compliance with the Affiliation Agreement of the LSU System. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- We obtained a copy of the Foundation's written policy regarding the handling and resolution of audit findings, audit exceptions, and any misuse of funds.

No exceptions were noted.

- We obtained a copy of the Foundation's written policies governing all disbursements for administrative and operating expenses and tested certain disbursements to determine the policies were followed.

No exceptions were noted.

- We randomly selected certain disbursements of the Louisiana 4-H Foundation, Inc. to determine the following:
 - i. That no supplemental compensation or benefit has been paid directly to a University employee.

No exceptions were noted.

- ii. That all payments made to or on behalf of University employees for travel, moving, relocation, entertainment, educational benefits and other reimbursements have been approved by an appropriate individual.

No exceptions were noted.

- iii. All payments for moving and relocation expenses of University employees covered by PM 69 have been approved by the President.

No exceptions were noted.

- iv. There have been no payments made for expenses that are solely for the private benefit of a University employee.

No exceptions were noted.

- v. No fines, forfeitures or penalties of a University employee have been paid.

No exceptions were noted.

- vi. No gifts represented to be personally from a University employee have been made by the Affiliate nor has any University employee been reimbursed for the purchase of such a gift.

No exceptions were noted.

- vii. No political contributions which are prohibited by applicable Internal Revenue Service Regulations or state law have been made or reimbursed.

No exceptions were noted.

- viii. No payments have been made for any expense or reimbursement which would create a reasonable conclusion on behalf of the Affiliate that the benefit to the individual University employee outweighs the benefit to the University.

No exceptions were noted.

- ix. No payments have been made for any expense or reimbursement which would create a reasonable conclusion on behalf of the Affiliate that the amount is extravagant or lavish beyond the appropriate University purpose.

No exceptions were noted.

- x. No funds have been disbursed in connection with contracts between the Affiliate and a University employee unless an exception has been approved by the president.

No exceptions were noted.

- xi. All other payments to or on behalf of University employees have been made in accordance with specific approval of the President or written joint amendment or clarification of the Addendum.

No exceptions were noted.

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 specified elements, accounts, or items. 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.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

LOUISIANA 4-H FOUNDATION, INC.

INDEPENDENT ACCOUNTANT'S REPORTS
ON APPLYING AGREED-UPON PROCEDURES

Fiscal period July 1, 2018 through June 30, 2019

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Abbeville, LA 70510 Morgan City, LA 70380
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434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Patrick Tuck, Executive Director
Louisiana 4-H Foundation, Inc.
and Lincoln Parish 4-H Foundation, Inc.
Board of Directors
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Lincoln Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's financial records and compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

1. Interview management and review the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations.
 - The Parish 4-H Foundation does not have adequate segregation of duties within the accounting functions.
 - Bank reconciliations are prepared monthly however they are not reviewed by a board member for reasonableness and accuracy quarterly.
2. Select between ten and forty disbursements from the Parish's check register to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the 4-H Foundation's policies.
 - 3 out of 10 disbursements tested for expenses over \$500 did not contain two signatures.
 - 1 out of 10 disbursements tested had inadequate supporting documentation.

3. Select between five and twenty deposits from the Parish's check register to determine that the collections were documented in accordance with the 4-H Foundation's policies.
 - Receipts are not used for all cash and checks received by the Parish. For the receipts it does issue, they cannot be easily reconciled to the deposit summaries.
 - Collections are being held at the Parish for several days before making a deposit at their financial institution.
4. Obtain a list of all Parish 4-H Foundation officers and directors and scan a detailed check listing to determine if any funds were improperly distributed for salaries, compensation or other benefits to these individuals.
 - No exceptions noted.
5. Review copies of the minutes of the Parish 4-H Foundation's board meeting to determine that these meetings were held on a quarterly basis.
 - Only two meetings were held during the year.
6. Review copies of the Parish 4-H Foundation's form 990 or 990N to determine that the report was filed with the Internal Revenue Service (IRS) in a timely manner.
 - No exceptions noted.

We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion respectively, on management's assertions. 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.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is submitted to the Louisiana Legislative Auditor who may release it as a public record.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

KOLDER, SLAVEN & COMPANY, LLC

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C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
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183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
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Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Patrick Tuck, Executive Director
Louisiana 4-H Foundation, Inc.
and Franklin Parish 4-H Foundation, Inc.
Board of Directors
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Franklin Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's financial records and compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

1. Interview management and review the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations.
 - The Parish 4-H Foundation does not have adequate segregation of duties within the accounting functions.
2. Select between ten and forty disbursements from the Parish's check register to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the 4-H Foundation's policies.
 - No exceptions noted.

3. Select between five and twenty deposits from the Parish's check register to determine that the collections were documented in accordance with the 4-H Foundation's policies.
 - Collections are being held at the Parish for a few days before making a deposit at their financial institution.
4. Obtain a list of all Parish 4-H Foundation officers and directors and scan a detailed check listing to determine if any funds were improperly distributed for salaries, compensation or other benefits to these individuals.
 - No exceptions noted.
5. Review copies of the minutes of the Parish 4-H Foundation's board meeting to determine that these meetings were held on a quarterly basis.
 - The Parish held one meeting during the year.
6. Review copies of the Parish 4-H Foundation's form 990 or 990N to determine that the report was filed with the Internal Revenue Service (IRS) in a timely manner.
 - No exceptions noted.

We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on management's assertions. 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.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is submitted to the Louisiana Legislative Auditor who may release it as a public record.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Patrick Tuck, Executive Director
Louisiana 4-H Foundation, Inc.
and Beauregard Parish 4-H Foundation, Inc.
Board of Directors
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Beauregard Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's financial records and compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

1. Interview management and review the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations.
 - The Parish 4-H Foundation does not have adequate segregation of duties within the accounting functions.
2. Select between ten and forty disbursements from the Parish's check register to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the 4-H Foundation's policies.
 - 1 out of 10 disbursements tested had inadequate supporting documentation - could not fully determine what was purchased other than by management's note as to what was purchased; therefore, the actual items purchased could not be determined.
 - 1 out of 10 disbursements tested for expenses over \$500 did not contain two signatures.

- 2 out of 10 disbursements tested were purchases made by debit card and there was no pre-approval or ratification of the transactions noted. The Parish uses a debit card for some expenses and did not have support noting pre-approval or ratification of those transactions.
3. Select between five and twenty deposits from the Parish's check register to determine that the collections were documented in accordance with the 4-H Foundation's policies.
 - Receipts are not used for all cash and checks received by the Parish. For the receipts it does issue, they were reconciled to the deposit summaries.
 - Collections are being held at the Parish for several days and sometimes weeks before making a deposit at their financial institution.
 4. Obtain a list of all Parish 4-H Foundation officers and directors and scan a detailed check listing to determine if any funds were improperly distributed for salaries, compensation or other benefits to these individuals.
 - No exceptions noted.
 5. Review copies of the minutes of the Parish 4-H Foundation's board meeting to determine that these meetings were held on a quarterly basis.
 - No exceptions noted.
 6. Review copies of the Parish 4-H Foundation's form 990 or 990N to determine that the report was filed with the Internal Revenue Service (IRS) in a timely manner.
 - No exceptions noted.

We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on management's assertions. 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.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is submitted to the Louisiana Legislative Auditor who may release it as a public record.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Patrick Tuck, Executive Director
Louisiana 4-H Foundation, Inc.
and Iberia Parish 4-H Foundation, Inc.
Board of Directors
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Iberia Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's financial records and compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

1. Interview management and review the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations.
 - The Parish 4-H Foundation does not have adequate segregation of duties within the accounting functions.
 - Bank reconciliations are prepared monthly however they are not reviewed by a board member for reasonableness and accuracy quarterly.
2. Select between ten and forty disbursements from the Parish's check register to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the 4-H Foundation's policies.
 - One check greater than \$500 did not contain two signatures.

3. Select between five and twenty deposits from the Parish's check register to determine that the collections were documented in accordance with the 4-H Foundation's policies.
 - Receipts are not used for all cash and checks received by the Parish. For the receipts it does issue, they cannot be easily reconciled to the deposit summaries.
4. Obtain a list of all Parish 4-H Foundation officers and directors and scan a detailed check listing to determine if any funds were improperly distributed for salaries, compensation or other benefits to these individuals.
 - No exceptions noted.
5. Review copies of the minutes of the Parish 4-H Foundation's board meeting to determine that these meetings were held on a quarterly basis.
 - No exceptions noted.
6. Review copies of the Parish 4-H Foundation's form 990 or 990N to determine that the report was filed with the Internal Revenue Service (IRS) in a timely manner.
 - No exceptions noted.

We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on management's assertions. 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.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is submitted to the Louisiana Legislative Auditor who may release it as a public record.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

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183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

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WWW.KCSRPCAS.COM

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Patrick Tuck, Executive Director
Louisiana 4-H Foundation, Inc.
and Rapides Parish 4-H Foundation, Inc.
Board of Directors
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Rapides Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's financial records and compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

1. Interview management and review the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations.
 - The Parish 4-H Foundation does not have adequate segregation of duties within the accounting functions.
 - No supporting documentation noting monthly review of bank reconciliations or financial statements by a board member.
2. Select between ten and forty disbursements from the Parish's check register to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the 4-H Foundation's policies.
 - Invoices or other supporting documentation could not be located for two disbursements; therefore the actual items purchased or allowable expense could not be determined.

- One disbursement was noted as being made payable to cash.
 - One disbursement tested for expenses over \$500 did not contain two signatures.
 - The Parish uses a debit card for some expenses and did not have support noting pre-approval or ratification of those transactions.
3. Select between five and twenty deposits from the Parish's check register to determine that the collections were documented in accordance with the 4-H Foundation's policies.
- For two of the transactions tested there were no receipts used for all cash and checks received by the Parish.
 - Collections are being held at the Parish for one to two days before making a deposit at their financial institution.
4. Obtain a list of all Parish 4-H Foundation officers and directors and scan a detailed check listing to determine if any funds were improperly distributed for salaries, compensation or other benefits to these individuals.
- No exceptions noted.
5. Review copies of the minutes of the Parish 4-H Foundation's board meeting to determine that these meetings were held on a quarterly basis.
- Only two meetings were held during the year.
6. Review copies of the Parish 4-H Foundation's form 990 or 990N to determine that the report was filed with the Internal Revenue Service (IRS) in a timely manner.
- No exceptions noted

We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on management's assertions. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come⁰⁹ to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is submitted to the Louisiana Legislative Auditor who may release it as a public record.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2019

KOLDER, SLAVEN & COMPANY, LLC

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C. Burton Kolder, CPA*
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Casey L. Ardoin, CPA, CFE

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Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

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Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

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Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Patrick Tuck, Executive Director
Louisiana 4-H Foundation, Inc.
and Washington Parish 4-H Foundation, Inc.
Board of Directors
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Louisiana 4-H Foundation, Inc., solely to assist you with respect to the Washington Parish 4-H Foundation, Inc.'s compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. The Parish 4-H Foundation's management is responsible for the Parish 4-H Foundation's financial records and compliance with the Affiliation Agreement of the Louisiana 4-H Foundation, Inc. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

1. Interview management and review the Parish 4-H Foundation's policies and procedures to determine if the Parish 4-H Foundation has an adequate system of controls to ensure compliance with laws and regulations.
 - The Parish 4-H Foundation does not have adequate segregation of duties within the accounting functions.
 - Voided checks should be retained with the signature line removed to reduce the risk of improper reuse.
 - Bank reconciliations are not performed monthly nor are Financial Statements reviewed by a board member monthly.
2. Select between ten and forty disbursements from the Parish's check register to determine that the disbursements were made for operating and administrative expenses and were made in accordance with the 4-H Foundation's policies.

- Invoices or other supporting documentation could not be located for one transaction; therefore the actual items purchased or allowable expense could not be determined.
 - For one check, the invoice was not paid timely.
3. Select between five and twenty deposits from the Parish's check register to determine that the collections were documented in accordance with the 4-H Foundation's policies.
 - Receipts are being used however they cannot be easily reconciled to the deposit summaries.
 4. Obtain a list of all Parish 4-H Foundation officers and directors and scan a detailed check listing to determine if any funds were improperly distributed for salaries, compensation or other benefits to these individuals.
 - No exceptions noted.
 5. Review copies of the minutes of the Parish 4-H Foundation's board meeting to determine that these meetings were held on a quarterly basis.
 - No meetings were held during the year.
 6. Review copies of the Parish 4-H Foundation's form 990 or 990N to determine that the report was filed with the Internal Revenue Service (IRS) in a timely manner.
 - As of the date of this report, the Parish 4-H Foundation did not file its annual form 990 or 990N as required by the Internal Revenue Service for all not-for-profit organizations; however, prior year tax return was filed timely.

We were not engaged to perform, and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on management's assertions. 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.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties. However, this report is submitted to the Louisiana Legislative Auditor who may release it as a public record.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
October 1, 2018