

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

Financial Report

Years Ended December 31, 2020 and 2019

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of financial position	4
Statements of activities	5-6
Statements of functional expenses	7-8
Statements of cash flows	9
Notes to financial statements	10-19
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
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 <i>Government Auditing Standards</i>	21-22
Schedule of Current and Prior Year Audit Findings and Management's Corrective Action Plan	23

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
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.
Lafayette, LA 70508
Phone (337) 232-4141

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

Victor R. Slaven, CPA* - retired 2020

INDEPENDENT AUDITOR'S REPORT

WWW.KCSRCPAS.COM

* A Professional Accounting Corporation

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

Report on the Financial Statements

We have audited the accompanying financial statements of Boys and Girls Clubs of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, 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 Boys and Girls Clubs of Acadiana, Inc. as of December 31, 2020 and 2019, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2021, on our consideration of Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boys and Girls Clubs of Acadiana, Inc.'s internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 8, 2021

FINANCIAL STATEMENTS

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

Statements of Financial Position
December 31, 2020 and 2019

	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 803,572	\$ 351,307
Grants receivable	-	33,230
Other receivables	146,318	108,883
Prepaid expenses	25,615	11,949
Total current assets	975,505	505,369
Property and equipment, net	909,065	828,744
Other assets:		
Utility deposits	1,512	1,512
Total assets	\$ 1,886,082	\$ 1,335,625
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts and payroll withholdings payable	\$ 48,520	\$ 13,118
Scholarships	19,635	10,752
Deferred revenue	-	1,000
Line of credit	-	4,500
Current maturities of long-term debt	207,597	-
Total current liabilities	275,752	29,370
Noncurrent liabilities:		
Long-term debt, less current portion	147,603	-
Total liabilities	423,355	29,370
Net assets:		
Without donor restrictions	1,231,696	1,236,748
With donor restrictions	231,031	69,507
Total net assets	1,462,727	1,306,255
Total liabilities and net assets	\$ 1,886,082	\$ 1,335,625

The accompanying notes are an integral part of this statement.

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

Statements of Activities
For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains, and other support:			
Grants:			
Federal	\$ 43,420	\$ -	\$ 43,420
State	173,959	-	173,959
Local	67,931	-	67,931
Total grants	285,310	-	285,310
Contributions and other:			
One Campaign	429,462	-	429,462
Corporate/Foundations	155,875	450,369	606,244
Associated organization/Keystone	4,003	-	4,003
Donated facilities	103,820	-	103,820
Membership dues	19,331	-	19,331
Meeting income	5,000	-	5,000
Other income	10,467	-	10,467
Total contributions and other	727,958	450,369	1,178,327
Fundraising:			
Great Futures Gala	151,278	-	151,278
Golf tournament	6,030	-	6,030
Duck race	103,153	-	103,153
Celebrity waiter	5,850	-	5,850
Other events	54,270	-	54,270
Donated services	171,700	-	171,700
Donated materials	71,125	-	71,125
Total fundraising	563,406	-	563,406
	1,576,674	450,369	2,027,043
Net assets released from restrictions	288,844	(288,844)	-
Total revenue gains, and other support	1,865,518	161,525	2,027,043
Expenses -			
Program services:			
Education and recreation	1,046,980	-	1,046,980
Supporting services:			
Fundraising	500,595	-	500,595
Management and general	322,996	-	322,996
Total supporting services	823,591	-	823,591
Total expenses	1,870,571	-	1,870,571
Changes in net assets	(5,053)	161,525	156,472
Net assets, beginning	1,236,748	69,507	1,306,255
Net assets, ending	\$ 1,231,695	\$ 231,032	\$ 1,462,727

The accompanying notes are an integral part of this statement.

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

Statements of Activities
For the Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains, and other support:			
Grants:			
Federal	\$ 27,000	\$ -	\$ 27,000
State	150,893	-	150,893
Local	95,799	-	95,799
Total grants	273,692	-	273,692
Contributions and other:			
One Campaign	581,458	-	581,458
Corporate/Foundations	70,991	111,672	182,663
Associated organization/Keystone	16,768	-	16,768
Donated facilities	103,820	-	103,820
Membership dues	84,673	-	84,673
Concessions	237	-	237
Meeting income	5,040	-	5,040
Other income	15,629	-	15,629
Total contributions and other	878,616	111,672	990,288
Fundraising:			
Great Futures Gala	300,185	-	300,185
Golf tournament	40,800	-	40,800
Duck race	115,917	-	115,917
Celebrity waiter	107,531	-	107,531
Ragin Cajun Kickoff Concert	1,870	-	1,870
Other events	35,560	-	35,560
Donated services	191,110	-	191,110
Donated materials	73,937	-	73,937
Total fundraising	866,910	-	866,910
	2,019,218	111,672	2,130,890
Net assets released from restrictions	125,698	(125,698)	-
Total revenue gains, and other support	2,144,916	(14,026)	2,130,890
Expenses -			
Program services:			
Education and recreation	1,206,256	-	1,206,256
Supporting services:			
Fundraising	638,836	-	638,836
Management and general	170,433	-	170,433
Total supporting services	809,269	-	809,269
Total expenses	2,015,525	-	2,015,525
Changes in net assets	129,391	(14,026)	115,365
Net assets, beginning	1,107,357	83,533	1,190,890
Net assets, ending	\$ 1,236,748	\$ 69,507	\$ 1,306,255

The accompanying notes are an integral part of this statement.

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

Statement of Functional Expenses
For the Year Ended December 31, 2020

	Program	Supporting Services			Total Expenses
	Services		Management	Total	
	Education	Fundraising	and	Supporting	
	and		General	Services	
	Recreation				
Salaries, benefits and payroll taxes	\$ 652,302	\$ 200,785	\$ 232,570	\$ 433,355	\$ 1,085,657
Accounting and auditing	8,120	-	5,840	5,840	13,960
Advertising (donated)	-	171,700	-	171,700	171,700
Auto and travel	4,188	-	1,809	1,809	5,997
Awards	595	-	54	54	649
Bus expense	9,984	-	-	-	9,984
Materials (donated)	-	71,125	-	71,125	71,125
Drug testing and background	3,339	-	1,513	1,513	4,852
Duck race	-	37,578	-	37,578	37,578
Facilities rent (donated)	62,000	-	41,820	41,820	103,820
Insurance	46,125	-	5,075	5,075	51,200
Interest expense	-	-	127	127	127
Keystone expense	3,024	-	-	-	3,024
Meeting expense	360	-	2,571	2,571	2,931
Membership dues	8,106	-	2,750	2,750	10,856
Miscellaneous	1,225	-	5,942	5,942	7,167
Postage and shipping	1,418	-	41	41	1,459
Printing	8,494	-	524	524	9,018
Ragin Cajun Kickoff Concert	-	2,989	-	2,989	2,989
Repairs and maintenance	68,574	-	10,237	10,237	78,811
Great Futures Gala	-	9,163	-	9,163	9,163
Supplies	56,815	7,255	4,755	12,010	68,825
Telephone	8,697	-	5,207	5,207	13,904
Training and conferences	6,837	-	1,195	1,195	8,032
Utilities and security	28,263	-	-	-	28,263
Total expenses before depreciation	978,466	500,595	322,030	822,625	1,801,091
Depreciation	68,514	-	966	966	69,480
Total	<u>\$ 1,046,980</u>	<u>\$ 500,595</u>	<u>\$ 322,996</u>	<u>\$ 823,591</u>	<u>\$ 1,870,571</u>

The accompanying notes are an integral part of this statement.

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

Statement of Functional Expenses
For the Year Ended December 31, 2019

	Program	Supporting Services			Total Expenses
	Services		Management	Total	
	Education	Fundraising	and	Supporting	
	and		General	Services	
	Recreation				
Salaries, benefits and payroll taxes	\$ 853,149	\$ 154,916	\$ 67,895	\$ 222,811	\$ 1,075,960
Accounting and auditing	8,435	-	4,931	4,931	13,366
Advertising (donated)	-	191,110	-	191,110	191,110
Auto and travel	3,442	-	4,115	4,115	7,557
Awards	170	-	380	380	550
Bus expense	11,005	-	-	-	11,005
Celebrity waiter	-	15,091	-	15,091	15,091
Contracted services	550	-	-	-	550
Materials (donated)	-	73,937	-	73,937	73,937
Drug testing and background	3,296	-	995	995	4,291
Duck race	-	41,653	-	41,653	41,653
Golf tournament	-	10,568	-	10,568	10,568
Facilities rent (donated)	62,000	-	41,820	41,820	103,820
Insurance	44,631	-	4,151	4,151	48,782
Interest expense	-	-	1,375	1,375	1,375
Keystone expense	11,834	-	-	-	11,834
Meeting expense	2,671	-	2,067	2,067	4,738
Membership dues	9,356	-	1,615	1,615	10,971
Miscellaneous	5,067	-	8,666	8,666	13,733
Postage and shipping	2,083	139	314	453	2,536
Printing	38	300	2,408	2,708	2,746
Ragin Cajun Kickoff Concert	-	4,699	-	4,699	4,699
Repairs and maintenance	53,527	-	2,109	2,109	55,636
Great Futures Gala	-	104,103	-	104,103	104,103
Supplies	26,491	33,312	4,238	37,550	64,041
Telephone	12,142	-	5,496	5,496	17,638
Training and conferences	6,418	5,747	12,499	18,246	24,664
Utilities and security	24,459	3,261	4,892	8,153	32,612
Total expenses before depreciation	1,140,764	638,836	169,966	808,802	1,949,566
Depreciation	65,492	-	467	467	65,959
Total	<u>\$ 1,206,256</u>	<u>\$ 638,836</u>	<u>\$ 170,433</u>	<u>\$ 809,269</u>	<u>\$ 2,015,525</u>

The accompanying notes are an integral part of this statement.

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

Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Increase in net assets	\$ 156,472	\$ 115,365
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	69,480	65,959
Changes in current assets and liabilities:		
Receivables	(4,205)	(106,613)
Prepaid expenses	(13,666)	39,273
Accounts and payroll withholdings payable	35,402	(10,210)
Scholarships	8,883	(7,048)
Deferred income	<u>(1,000)</u>	<u>(9,250)</u>
Net cash provided by operating activities	251,366	87,476
Cash flows from investing activities:		
Net purchase of property and equipment	<u>(149,801)</u>	<u>(28,648)</u>
Cash flows from financing activities:		
Net proceeds (principal payment) on long-term debt	<u>350,700</u>	<u>4,500</u>
Net increase in cash and cash equivalents	452,265	63,328
Cash and cash equivalents, beginning of year	<u>351,307</u>	<u>287,979</u>
Cash and cash equivalents, end of year	<u>\$ 803,572</u>	<u>\$ 351,307</u>
Supplemental information:		
Interest paid	<u>\$ 127</u>	<u>\$ 1,375</u>

The accompanying notes are an integral part of this statement.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

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

B. Basis of Accounting

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

C. Cash and Cash Equivalents

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

D. Grants Receivable/Deferred Revenues

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

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

E. Prepaid Expenses

Payments made to vendors for services that will benefit period beyond December 31, 2020 are recorded as prepaid expenses.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

F. Property and Equipment

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

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

G. Revenue and Expense Recognition

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

H. Functional Allocation of Expenses

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

I. Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service (IRS) as other than a private foundation. The Organization is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2017, 2018, and 2019 are subject to examination by the IRS, generally three years after they are filed.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

J. Compensated Absences

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

K. Donated Facilities, Materials, and Services

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

	2020	2019
Program services:		
Facilities	\$ 62,000	\$ 62,000
Fundraising:		
Advertising	171,700	191,110
Materials	71,125	73,937
Management and general:		
Facilities	41,820	41,820
Total	\$ 346,645	\$ 368,867

L. Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was \$171,700 and \$191,110 for the years ended December 31, 2020 and 2019, respectively.

M. Use of Estimates

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

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(2) Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of December 31, 2020, reduced by amounts not available for general use because of contractual restrictions or Board designations within one year of the statement of financial position date.

Financial assets at December 31, 2020:	\$ 949,890
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	<u>(231,032)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 718,858</u>

As part of the Organization's liquidity management, the Organization maintains sufficient cash balances throughout the year through the receipt of grants from Federal, State, and local agencies to support the Organization's objective to provide a quality developmental program that empowers Acadiana's youth, especially those from disadvantaged circumstances, to become productive adults. To help manage unanticipated liquidity needs, the Organization has a committed line of credit in the amount of \$150,000 which it could draw upon.

(3) Property and Equipment

Property and equipment consist of the following as of December 31, 2020 and 2019:

	2020	2019
Land	\$ 141,275	\$ 141,275
Buildings and improvements	1,594,574	1,494,399
Furniture and equipment	<u>417,951</u>	<u>494,324</u>
Total property and equipment	2,153,800	2,129,998
Less: Accumulated depreciation	<u>(1,244,735)</u>	<u>(1,301,254)</u>
Property and equipment, net	<u>\$ 909,065</u>	<u>\$ 828,744</u>

Total depreciation expense for the years ended December 31, 2020 and 2019 was \$69,480 and \$65,959, respectively.

(4) Deferred Revenue

Deferred revenue recorded for revenues received but not expended during the years ended December 31, 2020 and 2019 is as follows:

	2020	2019
Membership dues	<u>\$ -</u>	<u>\$ 1,000</u>

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(5) Line of Credit

The Organization has a \$150,000 revolving line of credit with Gulf Coast Bank, secured by multiple indebtedness mortgages. The line of credit has an interest rate of 4.250% and matures on July 18, 2022. At December 31, 2020, there were no outstanding borrowings.

(6) Short-term Notes Payable

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

Additionally, in May 2020, the Organization received \$10,000 from SBA and was awarded an EIDL loan totaling \$150,000 at an interest rate of 2.75% payable over thirty (30) years. See Note 7 for additional information on this loan.

(7) Long-term Debt

At December 31, 2020 and 2019, long-term debt was comprised of the following:

	2020	2019
EIDL Secured Disaster Loan Note payable to U.S. Small Business Administration, due May 2050, due in monthly installments of \$641 beginning May 2021, bearing interest at 2.75%.	\$ 150,000	\$ -
Less current maturities of long-term debt	2,397	-
Net long-term debt	\$ 147,603	\$ -

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

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

Year ending December 31,	Amount
2021	\$ 2,397
2022	3,679
2023	3,782
2024	3,887
2025	3,995
Thereafter	<u>132,260</u>
Total	<u>\$ 150,000</u>

(8) Net Assets

Net assets as of December 31, 2020 and 2019 was comprised of the following:

	2020	2019
With donor restrictions:		
Purpose restricted	\$ 231,031	\$ 69,507
Without donor restrictions:		
Undesignated	<u>1,231,696</u>	<u>1,236,748</u>
Net assets	<u>\$ 1,462,727</u>	<u>\$ 1,306,255</u>

(9) Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following at December 31, 2020 and 2019:

	2020	2019
Unspent funds from the following:		
Area Council	\$ 3,169	\$ -
BGCA - Anonymous Donor	106,262	-
Bridgestone	8,600	-
Capital One	20,000	-
Capital One - GB Teez	-	1,997
Capital One - Jackie Café	-	1,510
First National Bank	25,000	-
Pugh Family Foundation	-	20,000
Taco Bell Foundation	<u>68,000</u>	<u>46,000</u>
	<u>\$ 231,031</u>	<u>\$ 69,507</u>

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(10) Net Assets Released from Restrictions

Detail of net assets released from restrictions for the years ended December 31, 2020 and 2019 follows:

	<u>2020</u>	<u>2019</u>
Purpose restrictions accomplished:		
Area Council	\$ 5,500	\$ -
BGCA - Anonymous Donor	68,737	-
Bridgestone	6,400	-
BSNF	-	2,078
Capital One	3,507	-
Capital One - GB Teez	-	1,373
Capital One - Jackie Café	-	7,490
CarMax Foundation	-	2,810
Cheniere Energy	33,000	-
Community Foundation - JK Court Cover	-	26,172
Graduate for Mas	-	889
Meyers Family Foundation	100,000	-
Pugh Family Foundation - LYS	20,000	-
Pugh Family Foundation - Stem Lab	-	8,642
Taco Bell Foundation	51,700	54,900
Walmart Foundation	-	21,344
	<u>\$ 288,844</u>	<u>\$ 125,698</u>

(11) Retirement Benefits

The Organization sponsors a defined contribution plan that covers full-time and eligible part-time employees. Contributions made by the organization are 5% of annual salaries. The Organization made contributions of \$23,504 and \$25,373 for the years ended December 31, 2020 and 2019, respectively.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(12) Government Grants

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

	2020	2019
Federal grants:		
Bureau of Justice	\$ 33,420	\$ 27,000
Small Business Administration - COVID-19 relief - EDIL Advance	10,000	-
Total federal grants	43,420	27,000
State grants:		
AmeriCorp	164,027	134,469
Louisiana Children's Trust Fund	9,932	16,424
Total state grants	173,959	150,893
Local grants:		
City of Opelousas	15,000	13,750
Lafayette Consolidated Government	9,892	22,088
United Way	43,039	59,961
Total local grants	67,931	95,799
Total grants	\$ 285,310	\$ 273,692

(13) Concentration of Credit Risk

The Organization maintains cash balances at financial institutions, which at times may exceed federally insured limits. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2020, cash balances (bank balances) exceeded the federally insured limit by approximately \$532,008. At December 31, 2019, cash balances (bank balances) exceeded the federally insured limit by approximately \$122,112. The Organization has not experienced any loss on such deposits.

(14) Commitments and Contingencies

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

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(15) Risk Management

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

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

The Organization's agency head did not receive any compensation, benefits, or other payments from public funds for the year ended December 31, 2020.

(17) Fair Value Measurements

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

(18) Subsequent Event Review

The Organization's management has evaluated subsequent events through June 1, 2021, the date which the financial statements were available to be issued.

(19) Litigation and Claims

During the year, the Organization was named in a lawsuit. The parties involved have negotiated a resolution to this claim and have entered into a confidential settlement of the claims which is fully covered by the Organization's insurance and expected to be paid during 2021; therefore, no amounts related to this matter are reflected in the financial statements at December 31, 2020.

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(20) Risks and Uncertainties

Subsequent to February 28, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and many government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Organization as of December 31, 2020, management does not believe that a material impact on the Organization's financial position and results of future operations is reasonably possible.

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

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

WWW.KCSRCPAS.COM

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Boys and Girls Clubs of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 8, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suited for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 8, 2021

BOYS AND GIRLS CLUBS OF ACADIANA, INC
Lafayette, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended December 31, 2020

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

A. Internal Control Over Financial Reporting

There were no internal control findings.

B. Compliance

There were no compliance findings.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

There were no internal control findings.

B. Compliance

There were no compliance findings.