

BEAUREGARD COMMUNITY CONCERNS, INC.
DERIDDER, LOUISIANA

ANNUAL FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2022

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report	-	1-2
Statement of Financial Position	A	4
Statement of Activities	B	5-6
Statement of Functional Expenses	C	7
Statement of Cash Flows	D	8
Notes to the Financial Statements		10-15
	<u>Schedule</u>	
Other Supplemental Information		
Schedule of Compensation, Benefits and Other Payments to Agency Head	1	17
Other Reports		
Schedule of Prior Year Audit Findings	2	19
Schedule of Current Year Audit Findings and Management's Response	3	20
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
Independent Accountant's Report on Applying Agreed-Upon Procedures	-	23-30

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Beauregard Community Concerns, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Beauregard Community Concerns, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits and other payments to agency head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments to agency head.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2022, on our consideration of Beauregard Community Concerns, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Beauregard Community Concerns, 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 Beauregard Community Concerns, Inc.'s internal control over financial reporting and compliance.



DeRidder, Louisiana
November 8, 2022

FINANCIAL STATEMENTS

Statement of Financial Position
June 30, 2022

ASSETS

Current Assets:

Cash and cash equivalents	\$	172,115
Grants receivable		144,406
Prepaid expenses		6,077
Restricted cash		145,465
Total current assets	\$	468,063

Non Current Assets:

Capital assets, net	\$	215,120
Utility deposit		700
Total noncurrent assets	\$	215,820

Total assets	\$	683,883
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	20,626
Payroll withholdings payable		3,026
Total current liabilities	\$	23,652

Net Assets:

Without donor restrictions	\$	514,766
With donor restrictions		145,465
Total net assets	\$	660,231

Total liabilities and net assets	\$	683,883
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The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
SUPPORT			
Grants			
Government:			
DCFS	\$ -	\$ 244,090	\$ 244,090
VAWA	-	44,569	44,569
VOCA	-	82,646	82,646
FVPSA American Rescue Plan	-	148,407	148,407
Total government grants	<u>\$ -</u>	<u>\$ 519,712</u>	<u>\$ 519,712</u>
Private:			
United Way	\$ -	\$ 53,040	\$ 53,040
IOLTA	-	36,000	36,000
Total private grants	<u>\$ -</u>	<u>\$ 89,040</u>	<u>\$ 89,040</u>
Total grants	<u>\$ -</u>	<u>\$ 608,752</u>	<u>\$ 608,752</u>
Cash contributions:			
Individuals	\$ 512	\$ -	\$ 512
Business	658	-	658
Total cash contributions	<u>\$ 1,170</u>	<u>\$ -</u>	<u>\$ 1,170</u>
Contributed materials and services:			
Individuals	\$ 2,980	\$ -	\$ 2,980
Business	2,569	-	2,569
Total contributed materials and services	<u>\$ 5,549</u>	<u>\$ -</u>	<u>\$ 5,549</u>
Total contributions	<u>\$ 6,719</u>	<u>\$ -</u>	<u>\$ 6,719</u>
Fundraising	<u>\$ 4,552</u>	<u>\$ -</u>	<u>\$ 4,552</u>
Total support	<u>\$ 11,271</u>	<u>\$ 608,752</u>	<u>\$ 620,023</u>

(Continued)

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Investment income	\$ 3,074	\$ -	\$ 3,074
Net assets released from restrictions	<u>463,287</u>	<u>(463,287)</u>	<u>-</u>
Total revenue	<u>\$ 466,361</u>	<u>\$ (463,287)</u>	<u>\$ 3,074</u>
 Total support and revenue	 <u>\$ 477,632</u>	 <u>\$ 145,465</u>	 <u>\$ 623,097</u>
EXPENSES			
Program services:			
June M. Jenkins Women's Shelter	<u>\$ 463,743</u>	<u>\$ -</u>	<u>\$ 463,743</u>
Change in net assets	\$ 13,889	\$ 145,465	\$ 159,354
Net assets, beginning of year	<u>500,877</u>	<u>-</u>	<u>500,877</u>
Net assets, end of year	<u>\$ 514,766</u>	<u>\$ 145,465</u>	<u>\$ 660,231</u> (Concluded)

The accompanying notes are an integral part of this statement.

Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services	Supporting Services	
	June M. Jenkins Women's Shelter	General and Administrative	Total
Salaries	\$ 135,738	\$ 91,233	\$ 226,971
Payroll taxes	10,013	6,980	16,993
Health and dental insurance	44,932	28,436	73,368
Total salaries and related expenses	<u>\$ 190,683</u>	<u>\$ 126,649</u>	<u>\$ 317,332</u>
Supplies	\$ 24,688	\$ -	\$ 24,688
Telephone and Internet	12,178	-	12,178
Professional services	8,450	-	8,450
Mileage	141	-	141
Occupancy	2,141	-	2,141
Pest control	302	-	302
Inspection	1,233	-	1,233
Miscellaneous	722	-	722
Client assistance	28,183	-	28,183
Membership dues and subscriptions	1,065	-	1,065
Postage	202	-	202
Bank charges	265	-	265
Equipment rental & maintenance	4,626	-	4,626
Building repairs	1,908	-	1,908
Office supplies	6,555	-	6,555
Donated materials	5,549	-	5,549
Fundraising	1,675	-	1,675
Insurance	13,819	-	13,819
Training	35	-	35
Utilities	14,508	-	14,508
Total expenses before depreciation	<u>\$ 318,928</u>	<u>\$ 126,649</u>	<u>\$ 445,577</u>
Depreciation			
Purchased assets	<u>\$ 18,166</u>	<u>\$ -</u>	<u>\$ 18,166</u>
Total expenses	<u>\$ 337,094</u>	<u>\$ 126,649</u>	<u>\$ 463,743</u>

The accompanying notes are an integral part of this statement.

Statement of Cash Flows
For the Year Ended June 30, 2022

Cash flows from operating activities:	
Cash received from grants	\$ 582,686
Cash received from contributions	1,170
Cash received from investing	3,074
Cash received from fundraising	4,552
Cash payments for program activities	(131,629)
Cash payments to employees for services	(319,455)
Net cash provided by operating activities	<u>\$ 140,398</u>
Cash flows from investing activities:	
Purchases of equipment	\$ (42,772)
Net cash used by investing activities	<u>\$ (42,772)</u>
Net increase (decrease) in cash and cash investments	\$ 97,626
Cash and Cash equivalents, July 1, 2021	219,954
Cash and Cash equivalents, June 30, 2022	<u><u>\$ 317,580</u></u>
Reconciliation of net income (loss) from operations to net cash provided by operating activities:	
Net income (loss) from operations	\$ 159,354
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:	
Depreciation	\$ 18,166
Change in assets and liabilities:	
Increase in grants receivable	\$ (26,066)
Increase in prepaid expenses	(47)
Decrease in payroll deductions payable	(2,123)
Decrease in accounts payable	(8,186)
Increase in other assets	(700)
Net cash provided by operating activities	<u><u>\$ 140,398</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Beauregard Community Concerns, Inc.

Notes to the Financial Statements
For the Year Ending June 30, 2022

Introduction

Beauregard Community Concerns, Inc. is a Louisiana non-profit corporation. This Organization is organized for, and it shall be operated exclusively for, charitable, religious, and educational purposes, within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, including for purposes, to purchase, acquire, hold, use, manage, alienate or encumber property of any kind, necessary and proper to protect the best interest of abused women and dependent children; and the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code or the corresponding section of any future federal tax code. The Board of Directors consists of ten members that are appointed to the Board by the other members. Eight employees staff Beauregard Community Concerns, Inc. with two clerical employees and the other six employees handling the operations of the shelter.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies following are described to enhance the usefulness of the financial statements to the reader. The financial statements of Beauregard Community Concerns, Inc. have been prepared on the accrual basis; therefore certain revenues and the related assets are recognized when earned rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The Organization has no capital stock.

A. Basis of Accounting

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations* and Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14)*, which requires the organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Organization is required to present a statement of cash flows.

B. Income Taxes

The Organization is qualified as an exempt organization under Section 501 (c) (3) of the Internal Revenue Code and is not subject to federal income tax. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within Section 509 (a) of the Code. The tax years subject to examination by the Internal Revenue Service are those years ending June 30, 2022, 2021, and 2020.

C. Support and Revenue

All contributions and revenues received are considered to be available for unrestricted use unless specifically restricted by the donor.

D. Deposits and Investments

The Organization's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and are reported in the statement of cash flows.

Notes to the Financial Statements (Continued)

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

F. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Beauregard Community Concerns, Inc. maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	40-50 years
Furniture and fixtures	5-10 years
Equipment	5-10 years
Vehicles	5 years

G. Long-Term Obligations

In the fund financial statements, long-term debt and other long-term obligations are reported as liabilities.

H. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of Beauregard Community Concerns, Inc., which are either unusual in nature or infrequent in occurrence. Subsequent events have been evaluated through November 8, 2022, the date that the financial statements were available to be issued.

I. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Subsequent Events

The accounting records of the Organization were reviewed subsequent to year end and through the date the auditor's report was issued for subsequent events that could materially affect the financial statements. No subsequent events were found during this period that would materially affect the financial statements.

K. Recent Financial Accounting Pronouncements

During the year ended June 30, 2022, Beauregard Community Concerns, Inc. had adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14)*. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is a change in the net asset classes used in the financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

L. Restrictions on Contributions of Long-lived Assets

Beauregard Community Concerns, Inc. has not adopted a policy for implying time restrictions on contributions of long-lived assets and contributions of cash and other assets restricted to purchasing them. As of June 30, 2022, Beauregard Community Concerns, Inc. has had no contributions of long-lived assets or assets that would be used to acquire them.

2. DONATED FACILITIES, MATERIALS AND SERVICES

Donated materials, equipment, and use of facilities (if any) are reflected as contributions or fundraising support in the accompanying statements at their estimated values at the date of receipt. Donated services (if any) are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

3. VACATION/SICK LEAVE POLICY

All full-time employees who have been employed with Beauregard Community Concerns, Inc. 0-5 years will receive 16 days of vacation/sick leave, six of these days are considered sick leave and the remaining ten are vacation time. Sick days may be used from the first day of employment; vacation days may not be used until the employee has completed the six month probationary period.

All full-time employees who have been employed with Beauregard Community Concerns, Inc. for 5-10 years will receive 21 days of vacation/sick leave. Six of these days are considered sick leave and the remaining 15 are vacation time.

After the end of the first year of employment, vacation/sick days will begin on the anniversary date of employment. Neither sick nor vacation days will roll over into the next year. All employees must use their time off by the end of the year of his/her working year.

At no time will an employee be allowed to take more than ten consecutive days off, unless it is for a medical reason and a letter from the doctor is provided to the Executive Director.

Vacation and sick days can only be taken in full or half day increments.

Beauregard Community Concerns, Inc.

Notes to the Financial Statements (Continued)

4. ECONOMIC DEPENDENCY

The Organization receives a substantial portion of its total support from DCFS (Department of Children and Family Services) and FVPSA American Rescue Plan. During the period ended June 30, 2022, Beauregard Community Concerns, Inc. received \$244,090 and \$148,407 respectively, in grant support which represents 63.30% of total support.

5. FUNDING

Beauregard Community Concerns, Inc. receives funds from the Louisiana Bar Foundation under the IOLTA program. The monies are used to pay salaries and related expenses for services provided by legal advocates. The funds received for the year ended June 30, 2022, amounted to \$36,000. Beauregard Community Concerns, Inc. also receives funds from OVW (Office on Violence Against Women) through the VAWA (Violence Against Women Act) and VOCA (Victims of Crime Act). The monies can be used to provide for personnel and related expenses for services provided. The funds received for the year ended June 30, 2022 amounted to \$44,569 and \$82,646 respectively. The Organization receives unrestricted grant funds from United Way. The amount received for the year ended June 30, 2022 was \$45,000.

6. CASH AND CASH EQUIVALENTS

At June 30, 2022, the Organization has cash and cash equivalents (book balances) totaling \$317,580 as follows:

NOW accounts	\$	210,780
Savings account		106,583
Petty cash		217
Total	\$	<u>317,580</u>

At June 30, 2022, the Organization has \$325,197 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance. The remaining \$75,197 is unsecured.

7. RECEIVABLES

The following is a summary of receivables for June 30, 2022:

<u>Class of Receivable</u>		
Grants:		
DCFS	\$	66,078
VAWA		26,585
VCOA		51,743
Total	\$	<u>144,406</u>

Beauregard Community Concerns, Inc.

Notes to the Financial Statements (Continued)

8. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2022, for the Organization is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Buildings	\$ 223,734	\$ 39,489	\$ -	\$ 263,223
Vehicles	45,426	-	-	45,426
Machinery and equipment	50,230	3,282	-	53,512
Furniture and fixtures	66,343	-	-	66,343
Total capital assets being depreciated	<u>\$ 385,733</u>	<u>\$ 42,771</u>	<u>\$ -</u>	<u>\$ 428,504</u>
Less accumulated depreciation for:				
Buildings	\$ 75,680	\$ 8,120	\$ -	\$ 83,800
Vehicles	18,535	5,867	-	24,402
Machinery and equipment	47,397	882	-	48,279
Furniture and fixtures	53,606	3,297	-	56,903
Total accumulated depreciation	<u>\$ 195,218</u>	<u>\$ 18,166</u>	<u>\$ -</u>	<u>\$ 213,384</u>
Total capital assets being depreciated, net	<u>\$ 190,515</u>	<u>\$ 24,605</u>	<u>\$ -</u>	<u>\$ 215,120</u>

9. ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables for the year ending June 30, 2022:

<u>Class of Payable</u>	
Accounts	\$ 20,626
Payroll withholdings	3,026
Total	<u>\$ 23,652</u>

10. NET ASSETS

As required by ASU 2016-14, net assets have been reclassified into two categories: Without donor restrictions and with donor restrictions. The classification is as follows:

Without donor restrictions	\$ 514,766
With donor restrictions	145,465
Total net assets	<u>\$ 660,231</u>

11. LITIGATION AND CLAIMS

At June 30, 2022, Beauregard Community Concerns, Inc. had no litigation or claims pending.

Beauregard Community Concerns, Inc.

Notes to the Financial Statements (Concluded)

12. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Beauregard Community Concerns, Inc. maintains operating revenue for general expenditures. The current financial assets totaled \$172,115 at June 30, 2022 and are available for general expenditures; that is, without donor or other restrictions limiting their use.

As part of Beauregard Community Concerns, Inc.'s liquidity management, it primarily maintains its current assets in cash and cash equivalent.

13. NET ASSETS WITH DONOR RESTRICTIONS

FVPSA American Rescue Plan Cash	<u>\$ 145,465</u>
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OTHER SUPPLEMENTAL INFORMATION

Schedule of Compensation, Benefits and
Other Payments to Agency Head
For the Year Ended June 30, 2022

Agency Head Name - Courtney Montgomery

Purpose	Amount
Salary	\$ 54,169
Benefits - insurance	14,902
Benefits - retirement	-
Deferred compensation	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-

OTHER REPORTS

Schedule of Prior Year Audit Findings
For the Year Ending June 30, 2022

There were no prior year audit findings as of June 30, 2021.

Schedule of Current Year Audit Findings and Management's Response
For the Year Ending June 30, 2022

There were no current year audit findings as of June 30, 2022.

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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
Beauregard Community Concerns, Inc.
DeRidder, 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 Beauregard Community Concerns, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Beauregard Community Concerns, Inc.'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 Beauregard Community Concerns, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Beauregard Community Concerns, Inc.'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beauregard Community Concerns, Inc.'s financial statements are free of 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 suitable for any other purpose.



DeRidder, Louisiana
November 8, 2022

Windham & Reed, L.L.C.

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

We have performed the procedures enumerated below, which were agreed to by Beauregard Community Concerns, Inc. (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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 the specified users of this 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions noted for the policies and procedures applicable to the Organization.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Some months no meeting was held due to a lack of quorum.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds⁷.

Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

No exceptions noted.
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Not applicable.

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

No exceptions noted.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions noted.

Collections (excluding electronic funds transfers) – Not Applicable to this non-profit organization.

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions noted.

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

The director approves purchases and the bookkeeper processes the payment.

Exception: The bookkeeper can modify vendor files.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card

usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Exception: Month selected did not have approval in writing.

b) Observe that finance charges and late fees were not assessed on the selected statements.

Exception: Finance charges were assessed.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

No exceptions noted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted.

Payroll and Personnel

- 16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- 19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Exception: Payroll taxes were filed late for one quarter.

Ethics – Not Applicable.

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
 - a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Debt Service – Not Applicable.

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
 - a) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

No exceptions noted.

Sexual Harassment – Not Applicable to this nonprofit organization.

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).
28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;

Board of Directors
Beauregard Community Concerns, Inc.

- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

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 those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Windham & Reed CPA, L.L.C.
DeRidder, Louisiana
November 8, 2022