

**The Boys and Girls Clubs of the Timber Ridge, Inc.**

*Financial Statements  
For the Year Ended December 31, 2017*



**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
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**For the Year Ended December 31, 2017**

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## **Basic Financial Statements**

# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors  
The Boys and Girls Clubs of the Timber Ridge, Inc.  
Homer, Louisiana 71040

We have reviewed the accompanying financial statements of The Boys and Girls Clubs of the Timber Ridge, Inc., (a nonprofit organization), which comprise of the statement of financial position of as of December 31, 2017, and the related statements of activities, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountants' Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Supplementary Information**

The supplementary information included in Schedules 1 thru 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
June 26, 2018

**Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Statement of Financial Position**  
**December 31, 2017**

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"See Independent Accountants' Review Report"

<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 712
Receivables	9,602
Furniture & Equipment, net	16,316
<b>TOTAL ASSETS</b>	<b><u>\$ 26,630</u></b>

<b>LIABILITIES AND NET ASSETS</b>	
<b>Liabilities</b>	
Accounts Payable	\$ 2,390
Accrued Liabilities	41,515
Notes Payable	4,880
Total Liabilities	<u>48,785</u>
<b>Net Assets</b>	
Unrestricted Net Assets	(22,155)
Temporarily Restricted Net Assets	-
Permanently Restricted Net Assets	-
Total Net Assets	<u>(22,155)</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$ 26,630</u></b>

The accompanying notes are an integral part of this financial statement.

**Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**

"See Independent Accountants' Review Report"

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Revenues, Gains, And Support</b>			
Grants	\$ -	\$ 13,000	\$ 13,000
Contributions	44,140	-	44,140
Membership Dues	2,955	-	2,955
Fund Raising and Special Events	23,788	-	23,788
Miscellaneous	4,403	-	4,403
Total Revenues, Gains And Support	75,286	13,000	88,286
<b>Net Assets Released From Restrictions</b>			
Satisfaction of Program Restrictions	13,000	(13,000)	-
<b>Total Revenues, Gains, and Other Support</b>	88,286	-	88,286
<b>Expenses:</b>			
Program Services	56,778	-	56,778
Support Services	10,645	-	10,645
Fundraising	3,548	-	3,548
<b>Total Expenses</b>	70,971	-	70,971
<b>Increase (Decrease) in Net Assets</b>	17,315	-	17,315
<b>Net Assets at Beginning of Year</b>	(39,470)	-	(39,470)
<b>NET ASSETS AT END OF YEAR</b>	\$ (22,155)	\$ -	\$ (22,155)

The accompanying notes are an integral part of this financial statement.

**Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2017**

"See Independent Accountants' Review Report"

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from Granting Agencies and Contributors	\$ 84,219
Payments to Suppliers for Goods and Services	(38,253)
Payments to Employees	(29,201)
Payment of Payroll Taxes & Fringe Benefits	(2,263)
Net Cash Provided (Used) by Operating Activities	<u>14,502</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Equipment	-
Net Cash Provided (Used) by Investing Activities	<u>-</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds From Borrowings	4,270
Payments On Borrowings	(19,244)
Net Cash Provided (Used) by Financing Activities	<u>(14,974)</u>

**Net Increase (Decrease) in Cash and Cash Equivalents** (472)

**Cash and Cash Equivalents at Beginning of Year** 1,184

**Cash and Cash Equivalents at End of Year** \$ 712

**Reconciliation of Operating Income to Net Cash Provided  
by Operating Activities:**

Increase in Net Assets	\$ 17,315
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	4,385
Increase in Accounts Receivable	(4,067)
Decrease in Accounts Payable and Accrued Expenses	(3,131)
Net Cash Provided (Used) by Operating Activities	<u>\$ 14,502</u>

The accompanying notes are an integral part of this financial statement.

**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Nature of Activities**

The accompanying financial statements include only the operations of The Boys and Girls Clubs of the Timber Ridge, Inc., in Homer, LA. The Organization was formed to provide assistance to boys and girls of Claiborne Parish. The main sources of revenues are gifts from the public, allocations from grants, local dues and fund-raisers.

**B. Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**C. Cash Equivalents**

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within ninety days of purchase.

**D. Support and Revenue**

The Boys and Girls Clubs of the Timber Ridge, Inc. receives its support primarily from the Boys and Girls Club of America, and from the State of Louisiana, Department of Education. In the event revenues are restricted at the time of receipt by time or use, they are initially reported as restricted revenues and are then shown as reclassifications in the unrestricted category when the restrictions are satisfied either by passage of time or by expenditure for the specified purpose.

**E. Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**F. Property and Equipment**

Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair market value. 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 temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method. The Organization has no capitalization policy.

**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2017**

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Fixed assets are included on the balance sheet net of accumulated depreciation. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives with respect to major classes of depreciable assets as follows:

Equipment	5-10 Years
Improvements	27 ½ Years

**G. Functional Allocations of Expenses**

The costs of program services, administrative services and fund-raising expenses are allocated. At the current time, most costs are allocated based on an estimated time spent by employees as 80% programs services, 15% administrative services and 5% fund-raising.

**H. Estimates**

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

**I. Income Taxes**

As an affiliate of the National Organization, the Organization is a not-for-profit organization that is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code.

The provisions of ASC 740-10 (Formerly FASB Interpretation No. 48 (FIN 48)) were adopted by the organization on January 1, 2009. The adoption of FIN 48 did not result in any changes to net assets or deferred income tax liabilities.

Accrued interest and penalties associated with uncertain tax positions are included as a component of the provision for income taxes. There were no unrecognized tax benefits at January 1, 2009. For the year ended December 31, 2017, there were no unrecognized tax benefits, or accrued interest and penalties.

The company files Form 990, an informational tax return in the U.S. federal tax jurisdiction. Federal tax returns prior to 2014 are closed.

**2. CASH AND CASH EQUIVALENTS**

At December 31, 2017, the club has cash and cash equivalents (book balances) totaling \$742 as follows:

Demand deposits	\$	712
Totals	\$	<u>712</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit

**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2017**

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insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2017, the Organization has \$1,747 in deposits (collected bank balances). These deposits are secured from risk by \$1,747 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**3. GRANTS AND ACCOUNTS RECEIVABLE**

The receivables at December 31, 2017 are as follows:

Cooperative Endeavor Agreement - Haynesville	\$	2,500
Cooperative Endeavor Agreement - Homer		2,500
Boys & Girls Clubs – OJP		4,602
Totals	\$	9,602

**4. FIXED ASSETS**

As of December 31, 2017, fixed assets and organization costs consist of:

Equipment	\$	101,248
Building improvements		43,281
Subtotal		144,529
Less accumulated depreciation		(128,213)
Total	\$	16,316
Organization costs	\$	621
Less accumulated amortization		(621)
Total	\$	0

Depreciation expense for the year ended December 31, 2017 was \$4,385.

**5. NOTES PAYABLE**

Notes payable at December 31, 2017 consist of the following:

<b><u>Citizen's Bank</u></b>		
\$20,000 Unsecured line of credit @ 5.5% interest, payable monthly. Matures May 29, 2018.	\$	3,904
		3,904
Total	\$	3,904

**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2017**

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**6. DONATED SERVICES AND USE OF FACILITY**

The Organization receives the use of its building from the Claiborne Parish Police Jury at no cost. The Organization pays all other occupancy costs. The Organization also has volunteers who work at no cost. These donations are not recorded on the books of the organization.

**7. DONATED MATERIALS**

Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated values at date of receipt. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of materials and equipment are recorded as unrestricted support.

**8. COMMITMENT AND CONTINGENCIES**

The Organization receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowable expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the organization and the Federal or State Agency. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the organizations financial position.

**9. ECONOMIC DEPENDENCY**

The Organization receives the majority of its revenue from funds provided through grants administered through various Federal and State programs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the organization receives could be reduced significantly and have an adverse impact on its operations. In addition, the Organization relies on local contributions from individuals, businesses, and other organizations. These contributions vary from year-to-year, and can be effected by the local economy and other circumstances.

**10. COMPENSATED ABSENCES**

The Organization does not have compensated absences.

**11. COMPENSATION PAID TO BOARD MEMBERS**

No compensation was paid to any board member during the year under review.

**12. SUBSEQUENT EVENTS**

Date of Management Evaluation

Management has evaluated subsequent events through June 26, 2018, the date on which the financial statements were available to be issued.

Subsequent to year end, the Internal Revenue Service Appeals Office accepted an Offer-In-Compromise submitted by the Organization in the amount of \$7,913. This represents payroll taxes owed for the years 2009 thru 2013. Payments of \$330 per month will begin April 20, 2018 for 24 months.

## Supplementary Information

**Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Schedule of Functional Expenses**  
**For the Year Ended December 31, 2017**

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**Schedule 1**

	<b>Program Services</b>	<b>Support Services</b>	<b>Fund Raising</b>	<b><u>Total</u> 2017</b>
Salaries & Wages	\$ 23,361	\$ 4,380	\$ 1,460	\$ 29,201
Payroll Taxes and Fringe Benefits	1,810	339	114	2,263
Professional Fees	845	158	53	1,056
Dues & Subscriptions	446	84	28	558
Maintenance & Repairs	1,880	353	117	2,350
Insurance	7,053	1,322	441	8,816
Interest Expense	928	174	58	1,160
Program Supplies & Expenses	5,766	1,081	360	7,207
Office Expenses	1,409	264	88	1,761
Contract Labor	800	150	50	1,000
Travel & Seminars	26	5	1	32
Utilities & Telephone	8,946	1,677	559	11,182
Depreciation	3,508	658	219	4,385
<b>Totals</b>	<b><u>\$ 56,778</u></b>	<b><u>\$ 10,645</u></b>	<b><u>\$ 3,548</u></b>	<b><u>\$ 70,971</u></b>

See independent accountants' review report.

**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2017**

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Schedule 2

<u>Grant Title</u>	<u>Fund Number</u>	<u>Sub-Grant Award Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<b>United States Department of Justice:</b>				
Office of Juvenile Justice and Delinquency Prevention, subgranted to:				
Boys & Girls Club of America				
<b>Juvenile Mentoring Program</b>				
Homer Unit		OJP 2016 40813	16.726	\$ 7,000
Haynesville Unit		OJP 2016 40812	16.726	6,000
<b>Total Department of Justice</b>				<b>13,000</b>
<b>Total Federal Awards</b>				<b>\$ 13,000</b>

See independent accountants' review report.

**Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Schedule of Compensation, Reimbursements, Benefits, and Other Payments to**  
**Agency Head**  
**For the Year Ended December 31, 2017**

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Schedule 3

**Agency Head:**

Chief Professional Officer - Gwendolyn Pabon

**Purpose:**

Salary	\$ 6,500
Benefits - Payroll Taxes and Insurance	504
Travel	-
Reimbursements	-
<b>Total Compensation, Benefits and Other Payments</b>	<b><u>\$ 7,004</u></b>

See independent accountants' review report.

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## Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Directors of The Boys and Girls Clubs of the Timber Ridge, Inc.:

We have performed the procedures enumerated below, which were agreed to by The Boys and Girls Clubs of the Timber Ridge, Inc. and the Louisiana Legislative Auditor (the specified parties), on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2017, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Agency's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Agency's management.

The Boys and Girls Clubs of the Timber Ridge, Inc. provided us with the following list of expenditures made for federal grant awards received during the fiscal year ended December 31, 2017:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
<u>Boys &amp; Girls Clubs National Youth Mentoring Programs (OJP 2016) (Homer 40813)</u>	1/13/2017 thru 12/31/2017	16.726	7,000
<u>Boys &amp; Girls Clubs National Youth Mentoring Programs (OJP 2016) (Haynesville 40812)</u>	1/13/2017 thru 12/31/2017	16.726	6,000
Total Expenditures			13,000

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.
3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Each of the twelve items selected disbursements agreed to the amount and payee in the supporting documentation.

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

All of the disbursements were coded to the correct fund and general ledger account.

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

Inspection of documentation supporting each of the twelve selected disbursements indicated approvals from the bookkeeper and the board president (chief volunteer officer).

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

#### *Activities allowed or unallowed*

We compared documentation for each of the selected disbursements with program compliance requirements related to services allowed or not allowed. No exceptions were noted.

#### *Eligibility*

We compared documentation for each of the selected disbursements with program compliance requirements related to eligibility. No exceptions were noted.

#### *Reporting*

We compared documentation for each of the selected disbursements with program compliance requirements related to reporting. No exceptions were noted.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

There were no close-out reports for the two programs listed in Procedure 1. The amounts reported as expenditures on the periodic requests for payment agreed to the agency's financial records and amounts received from the grantors. (Both programs were expenditure driven grants.)

## Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

The Boys and Girls Club of the Timber Ridge, Inc. is not subject to the open meetings law.

## Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The Boys and Girls Club of the Timber Ridge, Inc provided budgets to the applicable grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

## State Audit Law

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

The agency's report was submitted to the Legislative Auditor before the statutory due date of June 30, 2018.

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The Agency's management represented that the Agency did not enter into any contracts during the fiscal year that were subject to the public bid law.

## Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

In the review engagement for the year ended December 31, 2016, we reported that there were too few personnel involved in the accounting system to have adequate separation of duties for internal control. The Club has taken measures to improve its internal control system, but due to its small size, it is difficult to separate all incompatible duties.

This condition still exists.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Agency's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Agency's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana

June 26, 2018

**The Boys and Girls Clubs of the Timber Ridge, Inc.  
Schedule of Findings and Responses  
For The Year Ended December 31, 2017**

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**Current Year Finding and Responses**

**17-01 Lack of Separation of Incompatible Duties**

**Condition:**

The Boys and Girls Clubs of the Timber Ridge, Inc. has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

**Criteria:**

Effective internal controls require that there be segregation of duties within the accounting function in order to reduce the risk of both errors and inappropriate actions.

**Cause:**

The Club has a small staff size that does not allow for proper segregation of duties.

**Potential Effect:**

The Club does not have proper segregation of duties and is at greater risk for not preventing or identifying errors and inappropriate actions once they have occurred.

**Recommendation:**

To the extent possible other Club personnel or Board members could assist with incompatible duties.

**Response:**

Due to our small size, it is very difficult to completely separate incompatible duties. The Board has taken steps to improve its internal control system. An outside consultant with not-for-profit experience was hired to perform monthly reconciliations and assist with our accounting system.

**Prior Year Findings**

**16-01 Lack of Separation of Incompatible Duties**

**Condition:**

The Boys and Girls Clubs of the Timber Ridge, Inc. has too few personnel involved in the accounting system to have adequate separation of duties for internal control.

**Criteria:**

Effective internal controls require that there be segregation of duties within the accounting function in order to reduce the risk of both errors and inappropriate actions.

**The Boys and Girls Clubs of the Timber Ridge, Inc.**  
**Schedule of Findings and Responses**  
**For The Year Ended December 31, 2017**

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Cause:

The Club has a small staff size that does not allow for proper segregation of duties.

Potential Effect:

The Club does not have proper segregation of duties and is at greater risk for not preventing or identifying errors and inappropriate actions once they have occurred.

Recommendation:

To the extent possible other Club personnel or Board members could assist with incompatible duties.

Response:

Due to our small size, it is very difficult to completely separate incompatible duties. The Board has taken steps to improve its internal control system. An outside consultant with not-for-profit experience was hired to perform monthly reconciliations and assist with our accounting system.

Status:

Not Cleared.

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

June 8, 2018

Cameron, Hines & Company, APAC  
Certified Public Accountants  
P.O. Box 2474  
West Monroe, LA 71294-2474

In connection with your review of our financial statements as of December 31, 2017 and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 8, 2018.

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes [X] No [ ]

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [X] No [ ]

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

Yes [X] No [ ]

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [X] No [ ]

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/llala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes [X] No [ ]

**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [X] No [ ]

**Reporting**

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes  No

**Prior-Year Comments**

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

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Janell Brown Bookkeeper 6/8/18  
-Date

Janell Brown

6/8/18 President Sonya Webb  
Date

Sonya Webb