

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

Financial Report

Years Ended December 31, 2017 and 2016

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# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT

\* A Professional Accounting Corporation

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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, 2017 and 2016, 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, 2017 and 2016, 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 15, 2018, 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 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 15, 2018

## **FINANCIAL STATEMENTS**

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

Statements of Financial Position  
December 31, 2017 and 2016

	2017	2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 285,978	\$ 144,130
Grants receivable	35,249	15,891
Other receivables	50,044	10,238
Prepaid expenses	2,616	2,949
Total current assets	373,887	173,208
Property and equipment, net	905,874	947,256
Other assets:		
Utility deposits	1,512	1,512
Total assets	\$ 1,281,273	\$ 1,121,976
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts and payroll withholdings payable	\$ 28,139	\$ 9,177
Scholarships	16,723	13,465
Deferred revenue	10,500	18,469
Total current liabilities	55,362	41,111
Net assets:		
Unrestricted	1,070,673	966,184
Temporarily restricted	155,238	114,681
Total net assets	1,225,911	1,080,865
Total liabilities and net assets	\$ 1,281,273	\$ 1,121,976

The accompanying notes are an integral part of this statement.

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

Statements of Activities  
For The Years Ended December 31, 2017 and 2016

	2017	2016
Changes in unrestricted net assets:		
Revenues -		
Grants:		
Federal	\$ 17,000	\$ 310,951
State	31,406	-
Local	99,247	185,856
Total grants	147,653	496,807
Contributions and other:		
One Campaign	304,212	414,197
Corporate/Foundations	111,030	107,560
Associated organization/Keystone	17,039	15,333
Donated facilities	103,280	103,280
Membership dues	82,289	82,600
Concessions	242	186
Meeting income	6,750	5,625
Other income	204,281	8,821
Total contributions and other	829,123	737,602
Fundraising:		
Steak 'N Burger	120,606	105,943
Golf tournament	55,600	45,573
Duck race	149,053	156,592
Celebrity waiter	95,374	80,877
Ragin Cajun Kickoff Concert	200,448	-
Other events	75,720	93,741
Donated services	307,600	261,255
Donated materials	89,857	67,522
Total fundraising	1,094,258	811,503
Total unrestricted revenues	2,071,034	2,045,912
Net assets released from restrictions	112,443	96,982
Total unrestricted revenues and other support	2,183,477	2,142,894

(continued)

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

Statements of Activities (Continued)  
For The Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Expenses -		
Program services:		
Education and recreation	1,133,280	1,309,415
Supporting services:		
Fundraising	760,721	588,033
Management and general	184,987	164,769
Total supporting services	<u>945,708</u>	<u>752,802</u>
Total expenses	<u>2,078,988</u>	<u>2,062,217</u>
Increase in unrestricted net assets	<u>104,489</u>	<u>80,677</u>
Changes in temporarily restricted net assets:		
Contributions	153,000	118,995
Net assets released from restrictions	<u>(112,443)</u>	<u>(96,982)</u>
Increase in temporarily restricted assets	<u>40,557</u>	<u>22,013</u>
Increase in net assets	145,046	102,690
Net assets, beginning	<u>1,080,865</u>	<u>978,175</u>
Net assets, ending	<u>\$ 1,225,911</u>	<u>\$ 1,080,865</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, 2017

	Program	Supporting Services			Total Expenses
	Services	Management		Total	
	Education and Recreation	Fundraising	and General	Supporting Services	
Salaries, benefits and payroll taxes	\$ 721,107	\$ 139,002	\$ 61,630	\$ 200,632	\$ 921,739
Accounting and auditing	5,475	-	1,095	1,095	6,570
Advertising (donated)	-	307,600	-	307,600	307,600
Auto and travel	6,896	-	6,451	6,451	13,347
Awards	7,563	-	1,731	1,731	9,294
Bus expense	11,491	-	-	-	11,491
Celebrity waiter	-	17,163	-	17,163	17,163
Contracted services	2,358	-	4,550	4,550	6,908
Materials (donated)	-	89,857	-	89,857	89,857
Drug testing and background	2,024	-	194	194	2,218
Duck race	-	44,707	-	44,707	44,707
Golf tournament	-	9,947	-	9,947	9,947
Facilities rent (donated)	62,000	-	41,280	41,280	103,280
Insurance	42,302	-	3,919	3,919	46,221
Keystone expense	10,598	-	-	-	10,598
Meeting expense	9,961	-	2,044	2,044	12,005
Membership dues	15,434	-	2,782	2,782	18,216
Miscellaneous	1,699	-	11,177	11,177	12,876
Postage and shipping	2,439	-	472	472	2,911
Printing	5,561	-	225	225	5,786
Professional fees	-	-	24,293	24,293	24,293
Ragin Cajun Kickoff Concert	-	119,317	-	119,317	119,317
Repairs and maintenance	66,900	-	2,110	2,110	69,010
Steak 'N Burger	-	10,835	-	10,835	10,835
Supplies	51,200	19,383	3,198	22,581	73,781
Telephone	14,876	-	5,985	5,985	20,861
Training and conferences	2,784	-	5,885	5,885	8,669
Utilities and security	21,828	2,910	4,366	7,276	29,104
Total expenses before depreciation	1,064,496	760,721	183,387	944,108	2,008,604
Depreciation	68,784	-	-	-	68,784
Loss on disposal of assets	-	-	1,600	1,600	1,600
Total	<u>\$ 1,133,280</u>	<u>\$ 760,721</u>	<u>\$ 184,987</u>	<u>\$ 945,708</u>	<u>\$ 2,078,988</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, 2016

	Program Services	Supporting Services			Total Expenses
	Education and Recreation	Fundraising	Management and General	Total Supporting Services	
Salaries, benefits and payroll taxes	\$ 662,991	\$ 138,899	\$ 61,492	\$ 200,391	\$ 863,382
Accounting and auditing	7,462	-	1,492	1,492	8,954
Advertising (donated)	-	261,255	-	261,255	261,255
Auto and travel	6,814	-	2,992	2,992	9,806
Awards	4,815	-	-	-	4,815
Bus expense	11,697	-	-	-	11,697
Celebrity waiter	-	15,979	-	15,979	15,979
Class 21 expenses	266,978	-	-	-	266,978
Contracted services	3,675	-	4,929	4,929	8,604
Materials (donated)	-	67,522	-	67,522	67,522
Drug testing and background	2,433	-	233	233	2,666
Duck race	-	46,094	-	46,094	46,094
Golf tournament	-	12,311	-	12,311	12,311
Facilities rent (donated)	62,000	-	41,280	41,280	103,280
Insurance	43,280	-	5,132	5,132	48,412
Interest expense	419	-	-	-	419
Keystone expense	9,426	-	-	-	9,426
Meeting expense	7,144	-	421	421	7,565
Membership dues	14,346	-	2,345	2,345	16,691
Miscellaneous	302	-	8,664	8,664	8,966
Postage and shipping	3,214	-	660	660	3,874
Printing	9,239	-	760	760	9,999
Repairs and maintenance	44,442	-	1,672	1,672	46,114
Steak 'N Burger	-	14,315	-	14,315	14,315
Supplies	46,104	28,877	19,191	48,068	94,172
Telephone	13,628	-	5,772	5,772	19,400
Training and conferences	1,999	-	3,143	3,143	5,142
Utilities and security	20,858	2,781	4,172	6,953	27,811
Total expenses before depreciation	1,243,266	588,033	164,350	752,383	1,995,649
Depreciation	66,149	-	419	419	66,568
Total	<u>\$ 1,309,415</u>	<u>\$ 588,033</u>	<u>\$ 164,769</u>	<u>\$ 752,802</u>	<u>\$ 2,062,217</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, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Increase in net assets	\$ 145,046	\$ 102,690
Adjustments to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	68,784	66,568
Change in current assets and liabilities:		
Receivables	(59,164)	52,061
Prepaid expenses	333	(1,362)
Accounts and payroll withholdings payable	18,962	(91,791)
Interest payable	-	(407)
Scholarships	3,258	5,000
Deferred income	(7,969)	17,989
Loss on disposal of assets	1,600	-
Net cash provided by operating activities	170,850	150,748
Cash flows from investing activities:		
Purchase of property and equipment	(29,002)	(59,132)
Cash flows from financing activities:		
Principal payment on line of credit	-	(41,713)
Net increase in cash and cash equivalents	141,848	49,903
Cash and cash equivalents, beginning of year	144,130	94,227
Cash and cash equivalents, end of year	\$ 285,978	\$ 144,130
Supplemental information:		
Interest paid	\$ -	\$ 419

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 follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time. When a 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.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

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.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

E. 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

F. 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 temporarily restricted or permanently restricted support that increase those net asset classes. 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, restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

G. 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.

H. 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 2014, 2015, and 2016 are subject to examination by the IRS, generally three years after they are filed.

I. 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. 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.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

J. 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:

	2017	2016
Program services:		
Facilities	\$ 62,000	\$ 62,000
Fundraising:		
Advertising	307,600	207,000
Materials	89,857	76,387
Management and general:		
Facilities	41,280	41,280
Total	\$500,737	\$386,667

K. Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was \$307,600 and \$261,255 for the years ended December 31, 2017 and 2016, respectively.

L. Use of Estimates

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

(2) Property and Equipment

Property and equipment consist of the following as of December 31, 2017 and 2016:

	2017	2016
Land	\$ 141,275	\$ 141,275
Buildings and improvements	1,485,862	1,484,372
Furniture and equipment	453,629	473,263
Total property and equipment	2,080,766	2,098,910
Less: Accumulated depreciation	(1,174,892)	(1,151,654)
Property and equipment, net	\$ 905,874	\$ 947,256

Total depreciation expense for the years ended December 31, 2017 and 2016 was \$68,784 and \$66,568, respectively.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(3) Deferred Revenue

Deferred revenue recorded for revenues received but not expended during the years ended December 31, 2017 and 2016 are as follows:

	2017	2,016
Membership dues	\$ 10,500	\$ 18,469

(4) 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 5% and matures on April 19, 2018. At December 31, 2017, there were no outstanding borrowings.

(5) Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at December 31:

	2017	2016
Unspent funds from the following:		
BGCA - Play Ball - Jackie	\$ 3,837	\$ -
BGCA - Summer Brain Gain	2,344	-
Capital Campaign - Renovations and additions to existing facilities and completion of the new southside facility	1,224	6,819
Capital One - GB Teez	6,253	-
Chevron Teen Programs	10,528	10,619
Cox Technology Grant	937	2,378
Graduate for Mas	-	875
Lowe's Club Refurbishment Program - Granberry Club	15,289	35,783
Lowe's Club Refurbishment Program - Iberia Club	1,728	7,904
Music studio - Jackie Club	-	7,500
Pugh Family Foundation - LYS	20,000	-
Pugh Family Foundation - STEM Lab	13,878	25,000
Tap room	907	3,210
Teen room - Iberia Club	-	2,912
Triple Play Grant	-	3,532
Walmart Foundation	76,646	-
Woodruff Great Futures Grant	-	2,482
Remaining estimated useful lives of contributed fixed assets	1,667	5,667
	\$ 155,238	\$ 114,681

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(6) Net Assets Released from Restrictions

Detail of net assets released from restrictions for the years ended December 31, 2017 and 2016 follows:

	2017	2016
Purpose restrictions accomplished:		
BGCA - Play Ball - Jackie	\$ 1,163	\$ -
BGCA - Summer Brain Gain	656	-
Capital campaign	5,595	23,183
Capital One - GB Teez	3,747	-
Chevron Teen Programs	20,091	11,666
Cox Technology Grant	16,441	1,460
Graduate for Mas	875	16,520
Granberry improvements	-	3,034
Lowe's Club Refurbishment Program - Granberry Club	20,494	4,217
Lowe's Club Refurbishment Program - Iberia Club	6,176	14,758
Music studio - Iberia Club	-	4,028
Music studio - Jackie Club	7,500	-
Pugh Family Foundation - Stem Lab	11,122	-
Superior - Stem Lab	2,912	-
Tap room	2,304	3,611
Teen room - Iberia Club	-	7,020
Triple Play Grant	3,532	1,468
Walmart Foundation	3,352	-
Woodruff Great Futures Grant	2,483	2,017
Time restrictions expired:		
Expired portion of estimated useful life of contributed assets	4,000	4,000
	\$ 112,443	\$ 96,982

(7) 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 \$22,362 and \$22,797 for the years ended December 31, 2017 and 2016, respectively.

BOYS AND GIRLS CLUBS OF ACADIANA, INC  
Lafayette, Louisiana

Notes to Financial Statements (Continued)

(8) Government Grants

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

	2017	2016
Federal grants:		
Bureau of Justice	\$ 17,000	\$ 21,671
Department of Education - 21st Century Grant	-	289,280
Total federal grants	17,000	310,951
State grants:		
AmeriCorp	31,406	-
Local grants:		
City of Opelousas	9,000	11,264
Iberia Parish Government	2,400	2,500
Opelousas Housing Authority	15,825	15,000
Lafayette Consolidated Government	-	15,000
United Way	72,022	142,092
Total local grants	99,247	185,856
Total grants	\$ 147,653	\$ 496,807

(9) 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, 2017, \$58,652 of the Organization's cash balance was unsecured. At December 31, 2016, the Organization's cash balance was fully secured.

(10) 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)

(11) 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.

(12) 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, 2017.

(13) 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.

(14) Subsequent Event Review

The Organization's management has evaluated subsequent events through June 15, 2018, the date which the financial statements were available to be issued.

**INTERNAL CONTROL, COMPLIANCE**

**AND**

**OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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1234 David Dr. Ste. 203  
Morgan City, LA 70380  
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434 E. Main St.  
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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

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\* A Professional Accounting Corporation

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, 2017, 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 June 15, 2018.

## 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Boys and Girls Clubs of Acadiana, Inc.'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2017-001, which we consider to be a material weakness.

## **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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Boys and Girls Clubs of Acadiana, Inc.'s Response to Findings**

The Boys and Girls Clubs of Acadiana, Inc.'s response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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 15, 2018

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

Summary Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
December 31, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
CURRENT YEAR (12/31/17) --						
<u>Internal Control:</u>						
2017-001	2016	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	No response is considered necessary.	N/A	N/A
<u>Compliance:</u>						
There were no compliance findings.						
PRIOR YEAR (12/31/16) --						
<u>Internal Control:</u>						
2016-001	2016	The Organization does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	Yes	The Organization has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Organization to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Missy Andrade, Chief Executive Officer	N/A

(continued)

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

Summary Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan (Continued)  
December 31, 2017

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
PRIOR YEAR (12/31/16) --						
<u>Internal Control:</u>						
2016-002	2016	Due to the small number of employees, the Organization did not have adequate segregation of functions within the accounting system. Based upon the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	N/A	No response is considered necessary.	N/A	N/A

Compliance:

There were no compliance findings.