

**BIG BROTHERS BIG SISTERS
OF ACADIANA, INC.
Lafayette, Louisiana**

Financial Statements

For the Year Ended December 31, 2021

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OTHER LOCATIONS:

Eunice Morgan City Abbeville

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Big Brothers Big Sisters of Acadiana, Inc.
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Big Brothers Big Sisters of Acadiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, 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 referred to above present fairly, in all material respects, the financial position of Big Brothers Big Sisters of Acadiana, Inc. as of December 31, 2021, 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 Big Brothers Big Sisters of Acadiana, 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 these 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 Big Brothers Big Sisters of Acadiana, 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 Big Brothers Big Sisters of Acadiana, 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 Big Brothers Big Sisters of Acadiana, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2022, on our consideration of Big Brothers Big Sisters 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 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 effectiveness of Big Brothers Big Sisters of Acadiana, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Big Brothers Big Sisters of Acadiana, Inc.'s internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana

June 3, 2022

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Statement of Financial Position
December 31, 2021

ASSETS

CURRENT ASSETS

Cash	\$ 91,722
Grant and support funds receivable	29,522
Other receivable	94,061
Prepaid expenses	<u>4,512</u>
Total current assets	<u>219,817</u>

PROPERTY AND EQUIPMENT

Furniture and equipment	31,427
Building and improvements	247,877
Less: Accumulated depreciation	<u>(172,978)</u>
Net property and equipment	<u>106,326</u>

TOTAL ASSETS	<u>\$ 326,143</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 3,298
Current maturities of long-term debt	116,137
Deposits	1,870
Other liabilities	<u>4,435</u>
Total current liabilities	<u>125,740</u>

TOTAL LIABILITIES	<u>125,740</u>
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NET ASSETS

Without donor restrictions:	
Invested in property and equipment, net of related debt	(9,811)
Available for operations	<u>210,214</u>
Total net assets	<u>200,403</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 326,143</u>
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The accompanying notes are an integral part of the financial statements.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Statement of Activities
Year Ended December 31, 2021

NET ASSETS WITHOUT DONOR RESTRICTIONS	
SUPPORT	
Donations	\$ 35,888
Fundraisers	284,722
United Way	30,000
Big Brothers Big Sisters of America	5,463
In-kind income	51,678
Total support	407,751
REVENUES	
Rental income	3,740
Other and miscellaneous	2,526
Interest	42
Total support and revenues without donor restrictions	414,059
Net assets released from restrictions	370,190
TOTAL SUPPORT AND REVENUES WITHOUT DONOR RESTRICTIONS	784,249
EXPENSES AND LOSSES	
Program services	392,407
Support services:	
Management and general	103,279
Fund raising	164,251
Total expenses	659,937
Increase in net assets without donor restrictions	124,312
NET ASSETS WITH DONOR RESTRICTIONS	
SUPPORT	
Children's Trust Fund	13,575
Crime Victim Assistance	130,841
Employee Retention Credit	94,061
Mentoring Opportunities for Youth Initiative	70,000
Paycheck Protection Program	54,713
Scripps Howard Foundation	2,000
Stuller Family Foundation	5,000
Total support	370,190
Net assets released from donor restrictions	(370,190)
Change in net assets with donor restrictions	-
INCREASE IN NET ASSETS	124,312
NET ASSETS AT BEGINNING OF YEAR	76,091
NET ASSETS AT END OF YEAR	\$ 200,403

The accompanying notes are an integral part of the financial statements.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Statement of Functional Expenses
Year Ended December 31, 2021

	Direct Program Services	Management and General	Fundraising	Totals
Salaries	\$ 236,395	\$ 60,644	\$ 12,064	\$ 309,103
Payroll taxes	17,272	4,087	718	22,077
Retirement plan	2,868	588	-	3,456
Activities expense	5,094	-	-	5,094
Advertising	37,900	9,475	-	47,375
Affiliation fees	6,161	-	-	6,161
Bank service charges	772	-	-	772
Depreciation	6,166	1,541	-	7,707
Dues and subscriptions	14,053	3,513	-	17,566
Insurance	23,604	5,901	-	29,505
Interest expense	-	7,231	-	7,231
Legal and accounting	3,460	5,190	-	8,650
Miscellaneous	311	-	-	311
Office expense	1,721	1,721	-	3,442
Printing	4,286	476	-	4,762
Postage	643	71	-	714
Rent expense	2,901	-	-	2,901
Repairs and maintenance	8,812	-	-	8,812
Supplies - other expenses	2,027	-	151,469	153,496
Telephone	3,778	944	-	4,722
Training	2,561	640	-	3,201
Travel	1,381	-	-	1,381
Utilities	5,026	1,257	-	6,283
Volunteer activities	5,215	-	-	5,215
	<u>5,215</u>	<u>-</u>	<u>-</u>	<u>5,215</u>
TOTAL	<u>\$ 392,407</u>	<u>\$ 103,279</u>	<u>\$ 164,251</u>	<u>\$ 659,937</u>

The accompanying notes are an integral part of the financial statements.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Statement of Cash Flows
Year Ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 124,312
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	7,707
Decrease (increase) in:	
Accounts receivable	(6,811)
Prepaid expenses	6,425
Other receivable	(94,061)
Increase (decrease) in:	
Accounts payable	3,298
Deferred revenue	(16,558)
Deposits	1,870
Other liabilities	434
Total adjustments	<u>(97,696)</u>
Net cash provided by operating activities	<u>26,616</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Principal payments on long-term debt	<u>(4,083)</u>
Net cash used by financing activities	<u>(4,083)</u>

NET INCREASE IN CASH 22,533

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 69,189

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 91,722

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Interest paid	<u>\$ 7,231</u>
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The accompanying notes are an integral part of the financial statements.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Entity

Big Brothers Big Sisters of Acadiana, Inc. (the Organization) is a non-profit corporation organized under the laws of the State of Louisiana. The primary purpose of the Organization is to meet the unique needs of at-risk youth from single-parent homes by providing positive adult role models through individually matched relationships that foster an improved sense of well-being.

Basis of Accounting

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net Assets without Donor Restrictions – Net assets without donor restrictions are resources available to support operations and not subject to donor or grantor restrictions.

Net Assets with Donor Restrictions – Net assets with donor restrictions are resources that are subject to donor-imposed or grantor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Revenue and Revenue Recognition

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). The standard prescribes a single model for revenue recognition, with a set of principles to be used for determining when revenue should be recognized. It also required expanded disclosures about the nature, amount, and timing of revenue and cash flows. This standard was effective beginning January 1, 2019. The adoption of this new guidance did not have a material impact on the Organization's financial statements.

Revenue is recognized when earned. Program service fees and payments under cost reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue with and without Donor Restrictions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Donated Services and Materials

Donated services and equipment are reflected in the accompanying statements at their estimated values at the date of receipt. The donations of services are recognized if the services (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing these skills and would typically need to be purchased if not provided by donations. Donated services that could be reasonable estimated are reflected in the statement of activities as public support and revenue and are allocated on the statement of functional expenses between program services and supporting services. A substantial number of volunteers have donated significant amounts of time in the Organization's program services that could not be reasonable estimated. No amounts have been reflected in the financial statements for volunteer services as they are not of a specialized nature.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore has no provision for federal income taxes. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the code. It is also exempt from Louisiana income tax. However, should the Organization engage in activities unrelated to its exempt purpose, taxable income could result. The Organization had no material unrelated business income for the fiscal year under audit.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Standards Codification 740 (ASC 740) requires that a tax position be recognized or derecognized based on a “more than not” threshold. This applies to positions taken or expected to be taken in a tax return where there is uncertainty about whether a tax position will ultimately be sustained upon examination. The Organization has evaluated its tax positions and determined that it does not have any uncertain tax positions that meet the requirements of ASC 740. Accordingly, implementation of ASC 740 did not have any impact on the accompanying financial statements.

Property and Equipment

Property and equipment are stated at cost for assets purchased and at fair value at the date of donation for contributed assets. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as without donor restrictions unless the donor has restricted the donated assets for a specific purpose.

Depreciation is computed based on the estimated useful lives of the assets using the straight-line method. The estimated useful lives of the principal classes of assets are as follows:

Furniture and equipment	5-7
Building	30

Expenditures for major renewals and betterments with a cost of \$1,000 or more that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the year ended December 31, 2021 was \$7,707.

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the following:

1. Reported amounts of assets and liabilities.
2. Disclosure of contingent assets and liabilities at the financial statement date.
3. Reported amounts of revenues and expenses during that period.

Actual amounts could differ from estimates.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Compensated Absences for personal time have not been accrued since they cannot be reasonably estimated. The Organization's policy is to recognize these costs when actually paid. During the year ended December 31, 2021, the Organization incurred \$12,469 in wages related to the payout of compensated absences.

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. The Statement of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$47,375 for 2021, all of which represent in-kind donations.

NOTE 2 AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets available for general expenditures, that is, without donor or other restrictions limiting their use as of December 31, 2021:

Financial assets at year end:

Cash and cash equivalents	\$ 91,722
Grant and support funds receivable	29,522
Other receivable	94,061
Prepaid expenses	<u>4,512</u>
Total financial assets	219,817
<u>Less: those unavailable for general expenditures</u>	
<u>within one year, due to:</u>	
Restricted for debt repayment	<u>-</u>
Total financial assets available to meet general expenditures over the next twelve months	<u>\$ 219,817</u>

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 3 GRANT AND SUPPORT FUNDS RECEIVABLE

Grant and Support funds receivable at December 31, 2021, consisted of the following:

Children's Trust Fund Grant	\$ 2,444
Crime Victims Assistance Grant	10,365
Mentoring Opportunities for Youth Initiative	<u>16,713</u>
Total	<u>\$ 29,522</u>

NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY

Net Assets are released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors. For the year ended December 31, 2021, \$370,190 was released from restrictions.

NOTE 5 NOTE PAYABLE

FM Bank loan in the original amount of \$123,547, bearing interest at 6% per annum beginning March 5, 2020, with principal due in full immediately upon Lender's request or on March 5, 2025. \$ 116,137

As stated in Note 15, the FM Bank loan was paid in full subsequent to year end. Therefore, the balance is shown as a current liability as of December 31, 2021.

NOTE 6 OPERATING LEASES

The Organization is the lessor of additional space in their office building under an operating lease that began on November 1, 2021 and expires on October 31, 2023 with monthly payments of \$1,870. The lease has a two-year renewal option at a rental rate of \$1,980 per month. Future minimum income under the operating lease as of December 31, 2021 is as follows:

2022	\$ 22,440
2023	<u>18,700</u>
	<u>\$ 41,140</u>

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 7 RETIREMENT PLAN

Big Brothers Big Sisters of Acadiana, Inc. began offering its employees the opportunity to participate in a “Simple IRA” retirement plan in July 1999. All eligible employees who work full time or over 30 hours per week may contribute from one percent (1%) of their gross pay upward. Big Brothers Big Sisters of Acadiana, Inc. matches their contribution up to three percent (3%) of gross pay. The associated expense for 2021 was \$3,456.

NOTE 8 CONCENTRATION OF CREDIT RISK

The majority of the Organization revenues and grants receivable are from sub grants of U.S. Department of Justice Grants through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice. A change in this funding could substantially affect the operations of the Organization.

NOTE 9 LINE OF CREDIT AND COMMITMENTS

The Organization has a \$60,500 line of credit with Farmers Merchant Bank and Trust. The line of credit is secured by a building and lot. There were no borrowings against the line of credit as of December 31, 2021.

Under the terms of the loan agreement, the Organization is required to maintain insurance and pay applicable taxes for the collateralized building and provide yearly financial records to the bank. The Organization was in compliance with these covenants at December 31, 2021.

NOTE 10 FINANCIAL INSTRUMENTS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of temporary cash investments. The Organization places its temporary cash investments with one high quality financial institution. At times, amounts may be in excess of FDIC insurance limits. As of December 31, 2021, the Organization’s cash balances were fully insured.

The fair values of the Organization’s financial instruments are as follows:

Cash and cash equivalents – The carrying amount approximates fair value due to the initial maturities of the instruments being three months or less.

Line of credit and note payable – Fair value approximates carrying value since stated rates are similar to rates currently available to the Organization for debt with similar terms and remaining maturities.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 11 NONCOMPLIANCE WITH GRANTOR RESTRICTIONS

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

NOTE 12 COMPENSATION & OTHER BENEFITS TO EXECUTIVE DIRECTOR

During the year ended December 31, 2021, the executive director, Kalli Christ, received the following benefits.

Kalli Christ, Executive Director

Salary	<u>\$ 68,640</u>
Total	<u>\$ 68,640</u>

NOTE 13 COVID-19 PANDEMIC

In December 2019, a novel strain of coronavirus (COVID-19) was reported to have surfaced in China. The World Health Organization has characterized COVID-19 as a pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

NOTE 14 PAYCHECK PROTECTION PROGRAM

On January 25, 2021, the Organization received proceeds in the amount of \$54,713 under the Paycheck Protection Program (PPP). The Organization is accounting for the PPP funding as a conditional contribution under ASC 958-605. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying entities for amounts up to 2.5 times the average monthly payroll of the qualifying entity. The loans are forgivable as long as the borrower uses the loan proceeds for eligible expenditures within an eight to twenty-four week period. Eligible expenditures include payroll, employee benefits, rent, and utilities. The amount of loan forgiveness can be reduced if the borrower terminates employees or reduces salaries between the eight and twenty-four week period.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Notes to Financial Statements

NOTE 14 PAYCHECK PROTECTION PROGRAM (continued)

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%. The Payments were not due on the loan until a forgiveness decision was rendered by the Small Business Administration (SBA). The Organization received forgiveness from the SBA during the year ended December 31, 2021. The entire \$54,713 is shown as Paycheck Protection Program income in the statement of activities.

NOTE 15 SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 3, 2022, the date the financial statements were available to be issued.

On April 29, 2022, the Organization received a material unrestricted donation. A portion of the donation was used to pay off the Organization's note payable to FM Bank. Because the loan was paid in full subsequent to year end, the December 31, 2021 loan balance is shown as a current liability.

INTERNAL CONTROL AND COMPLIANCE



OTHER LOCATIONS:

Eunice Morgan City Abbeville

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 of
Big Brothers Big Sisters, 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 Big Brothers Big Sisters of Acadiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, 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 3, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Big Brothers Big Sisters of Acadiana, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Big Brothers Big Sisters of Acadiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Big Brothers Big Sisters of Acadiana, 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 may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana

June 3, 2022

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

Part I: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

An unmodified opinion has been issued on Big Brothers Big Sisters of Acadiana, Inc.'s financial statements as of and for the year ended December 31, 2021.

Control and Significant Deficiencies and Material Weaknesses – Financial Reporting

There were no significant deficiencies or material weaknesses in internal control over financial reporting disclosed during the audit of the financial statements.

Material Noncompliance – Financial Reporting

There were no instances of noncompliance material to the financial statements disclosed during the audit of the financial statements.

FEDERAL AWARDS

This section is not applicable for the year ended December 31, 2021.

Part II: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

This section is not applicable for the fiscal year ended December 31, 2021.

Part III: Federal Awards Findings and Questioned Costs

This section is not applicable for the year ended December 31, 2021.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Summary Schedule of Prior Year Findings
Year Ended December 31, 2021

No prior year findings were noted; therefore, no response is deemed necessary.

BIG BROTHERS BIG SISTERS OF ACADIANA, INC.

Management's Corrective Action Plan
Year Ended December 31, 2021

Response to Findings:

No current year findings were noted; therefore, no response is necessary.