

AGENDA FOR CHILDREN, INC.

**FINANCIAL STATEMENTS AND
AUDITOR'S REPORT**

June 30, 2013

AGENDA FOR CHILDREN, INC.

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF ACTIVITIES	6
STATEMENT OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8
SUPPLEMENTAL INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	14
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 <u>GOVERNMENT AUDITING STANDARDS</u>	15
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	17
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	19

Justin J. Scanlan, C.P.A., F.T.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Agenda For Children, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Agenda For Children, Inc. (a non-profit organization), which comprise the statement of the financial position as of June 30, 2013, and the related statements of activities and cash flows for the year 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 controls 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 audit. 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. 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 Agenda For Children, Inc. as of June 30, 2013, 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.

**Other Matters
Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2013, on our consideration of Agenda For Children, 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 Agenda for Children, Inc.'s internal control over financial reporting and compliance.

Jonathan J. Scanlon, CPA, LLC

New Orleans, Louisiana
November 26, 2013

AGENDA FOR CHILDREN, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2013

ASSETS

Current assets		
Cash		\$ 1,254,318
Receivables		
Grants (Notes A4 and B)	\$ 848,120	
Other	<u>16,628</u>	864,748
Prepaid expenses		<u>1,060</u>
Total current assets		2,120,126
Property and equipment-at cost (Notes A5 and C)		<u>38,858</u>
Total assets		<u>\$2,158,984</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued liabilities		\$ <u>239,911</u>
Total current liabilities		239,911
Commitments (Note D)		-
Net assets		
Unrestricted		886,259
Temporarily restricted (Note E)		<u>1,032,814</u>
Total net assets		<u>1,919,073</u>
Total liabilities and net assets		<u>\$ 2,158,984</u>

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

AGENDA FOR CHILDREN, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2013

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
REVENUES			
Grant appropriations	\$ -	\$ 3,340,716	\$ 3,340,716
Fees	90,352	-	90,352
Contributions	91,959	-	91,959
Interest income	1,254	-	1,254
Other	31,783	-	31,783
Net assets released from restrictions	<u>3,344,281</u>	<u>< 3,344,281 ></u>	<u>-</u>
TOTAL REVENUES	<u>3,559,629</u>	<u>< 3,565 ></u>	<u>3,556,064</u>
EXPENSES			
Personnel costs	2,267,660	-	2,267,660
Travel	86,896	-	86,896
Supplies	118,306	-	118,306
Occupancy	144,900	-	144,900
Printing and publications	39,301	-	39,301
Professional services	437,337	-	437,337
Postage	10,496	-	10,496
Telephone	71,339	-	71,339
Equipment expense	339,767	-	339,767
Other	<u>58,975</u>	<u>-</u>	<u>58,975</u>
TOTAL EXPENSES	<u>3,574,977</u>	<u>-</u>	<u>3,574,977</u>
 Increase <decrease> in net assets	 < 15,348 >	 < 3,565 >	 < 18,913 >
Net assets, beginning of year	<u>901,607</u>	<u>1,036,379</u>	<u>1,937,986</u>
Net assets, end of year	<u>\$ 886,259</u>	<u>\$ 1,032,814</u>	<u>\$ 1,919,073</u>

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

AGENDA FOR CHILDREN, INC.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2013

Cash flows from operating activities:

Increase <decrease> in net assets		\$ < 18,913>
Adjustments to reconcile decrease in net assets to net cash provided by <used in> operating activities:		
Depreciation expense		10,478
Changes in assets and liabilities:		
<Increase> decrease in grants receivables	< 206,437>	
<Increase> decrease in other receivables	< 9,548>	
<Increase> decrease in prepaid expenses	< 1,060>	
Increase <decrease> in accounts payable and accrued liabilities	<u>198,552</u>	<u>< 18,493></u>
Net cash provided by <used in> operating activities		<u>< 26,928></u>
Net increase <decrease> in cash and cash equivalents		< 26,928>
Cash and cash equivalents, beginning of year		<u>1,281,246</u>
Cash and cash equivalents, end of year		<u>\$ 1,254,318</u>

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

AGENDA FOR CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Nature of Activities

Agenda for Children, Inc. is a non-profit corporation organized to provide an informed, consistent and intentional voice on behalf of Louisiana's children. Agenda for Children, Inc. helps families find and choose child care, offers training and technical assistance for child care providers, and provides child abuse prevention education in the southeastern Louisiana area.

2. Presentation of Financial Statements

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958. Accordingly, the net assets of the corporation are reported in each of the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets.

The net assets and changes therein are classified as follows:

Unrestricted Net Assets - Contributions and other revenue and expenses for the general operation of its programs.

Temporarily Restricted Net Assets - Contributions and other revenues specifically authorized by the donor or grantor to be used for specific purposes.

Permanently Restricted Net Assets - Contributions subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled and removed by actions of the Corporation pursuant to those stipulations. There were no permanently restricted net assets.

3. Revenue Recognition

For financial reporting, the corporation recognizes all contributed support as income in the period received. Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grant revenue is earned in accordance with approved contracts.

4. Receivables

The corporation considers accounts receivable to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

AGENDA FOR CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. **Property, Furniture and Equipment**

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line-method. The depreciation expense for the year ended June 30, 2013 totaled \$10,478.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

6. **Cash Equivalents**

For purposes of the statement of cash flows, the corporation considers all demand deposits to be cash equivalents.

7. **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.

8. **Fair Values of Financial Instruments**

Cash and cash equivalents, and temporary investments carrying amounts reported in the statement of financial position approximate fair value because of the short maturities of those instruments.

9. **Functional Allocation of Expenses**

The expenses of providing and other activities have been summarized on a functional basis in Note G to the financial statements. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

10. **Subsequent Events**

The subsequent events of the organization were evaluated through the date the financial statements were available to be issued (November 26, 2013).

AGENDA FOR CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE B – GRANTS RECEIVABLE

Grants receivable at June 30, 2013 consist of the following:

State of Louisiana – Office of Public Health	\$ 113,693
State of Louisiana – Department of Children and Family Services	532,344
U. S. Department of Education	34,329
Institute for Mental Hygiene	109,371
GPOA Foundation	4,324
Firstline Schools Inc.	52,083
Save the Children	<u>1,976</u>
	<u>\$ 848,120</u>

NOTE C - PROPERTY AND EQUIPMENT

The property and equipment at June 30, 2013 consist of the following:

Leasehold improvements	\$ 52,392
Less accumulated depreciation	<u>< 13,534 ></u>
	<u>\$ 38,858</u>

NOTE D – COMMITMENTS

The corporation leases its administrative facility under an operating lease expiring March, 2017. The Houma and Mandeville branch locations are under a month to month lease.

Future minimum lease payments are as follows:

<u>June 30,</u>	
2014	\$ 60,900
2015	60,900
2016	60,900
2017	<u>45,675</u>
	<u>\$ 228,375</u>

The rental expense for the year ended June 30, 2013 totaled \$82,265.

AGENDA FOR CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE E – TEMPORARILY RESTRICTED NET ASSETS

As of June 30, 2013, the temporarily restricted net assets consist of the following:

The Annie E. Casey Foundation - Kids Count	\$ 53,746
W. K. Kellogg Foundation - Early Literacy Program	459,356
W. K. Kellogg Foundation - Bridge to Quality	469,712
W. K. Kellogg Foundation - Organization Development	<u>50,000</u>
	<u>\$ 1,032,814</u>

NOTE F - INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

The corporation has adopted the provision of FASB ASC 740-10-25, which requires a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to position taken or expected to be taken in a tax return. The corporation does not believe its financial statements include an uncertain tax positions.

NOTE G – FUNCTIONAL EXPENSES

Functional expenses for the year ended June 30, 2013 are as follows:

Program Services

Statewide child advocacy \$ 3,067,596

Supportive services

Management and general 463,601
Fundraising 43,780
507,381
\$ 3,574,977

NOTE H - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

AGENDA FOR CHILDREN, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013

NOTE I – ADVERTISING EXPENSE

Agenda for Children, Inc. paid \$29,763 in advertising costs for the year ended June 30, 2013. The costs are expensed as incurred.

NOTE J – CONCENTRATION OF CRDIT RISKS

The corporation's cash balance as of June 30, 2013, before deducting outstanding checks, consists of the following:

Financial institution	\$ 1,253,721
Less: FDIC insurance	<u>< 410,229 ></u>
Uninsured balance	<u>\$ 843,492</u>

NOTE K – ECONOMIC DEPENDENCY

The Corporation received the majority of its revenue from funds provided through grants administered by the federal government and the State of Louisiana. 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 corporation receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the corporation's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the corporation will receive in the next fiscal year.

The corporation is supported primarily through government grants. Approximately 56% of the corporation's support for the year ended June 30, 2013 came from government grants.

SUPPLEMENTAL INFORMATION

AGENDA FOR CHILDREN, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2013

<u>PROGRAM TITLE</u>	<u>PASS THROUGH GRANTOR NO.</u>	<u>FEDERAL CFDA NUMBER</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
U. S. DEPARTMENT OF EDUCATION			
Pyramid Parent Training	-	84.328C	\$ <u>99,329</u>
TOTAL DEPARTMENT OF EDUCATION			<u>99,329</u>
U. S. DEPARTMENT OF AGRICULTURE			
Passed through Statement of Louisiana – Department of Social Service – Office of Public Health WIC Program	CFMS#692191	10.557	<u>563,569</u>
TOTAL DEPTMENT OF AGRICULTURE			<u>563,569</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through State of Louisiana - Department of Children and Family Services:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CFMS#703844	93.596	373,605
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CFMS#702983	93.596	333,759
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CFMS#702985	93.596	584,165
Children's Trust Fund	CFMS#718934	93.590	<u>18,660</u>
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>1,310,189</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 1,973,087</u>

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. Presentation of Financial Statements

The accompanying Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Federal direct programs are identified by Federal Agency. Federal pass-through funds are presented by the entity through which the organization received the federal financial assistance.

Justin J. Scanlan, C.P.A., F.T.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

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

Board of Directors
Agenda for Children, Inc.

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 Agenda for Children, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Agenda for Children, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Agenda for Children, 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. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Agenda For Children, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

New Orleans, Louisiana
November 26, 2013

Justin J. Scanlon, CPA, LLC

Justin J. Scanlan, C.H.A., F.T.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Agenda For Children, Inc.

Report on Compliance for Each Major Federal Program

We have audited Agenda For Children, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Agenda For Children, Inc.'s major federal programs for the year ended June 30, 2013. Agenda For Children, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Agenda For Children, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 required that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Agenda For Children, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Agenda For Children, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Agenda For Children, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Agenda For Children, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Agenda For Children, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate to the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Agenda For Children, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
November 26, 2013

AGENDA FOR CHILDREN, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2013

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___yes X no
- Significant deficiency(ies) identified? ___yes X none reported
- Noncompliance material to financial statements noted? ___yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___yes X no
- Significant deficiency(ies) identified? ___yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? ___yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.596	U. S. Department of Health and Human Services Passed through the State of Louisiana-Department of Children and Family Services: Child Care Mandatory and Matching Funds of the Child Care Development Fund
10.557	U. S. Department of Agriculture Passed through the State of Louisiana-Department of Social Services – Office of Public Health: WIC Program

Dollar threshold used to distinguish between type A and B programs: \$300,000

Auditee qualified as low-risk auditee? X yes ___ no

AGENDA FOR CHILDREN, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2013

B. FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements for the year ended June 30, 2013.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.