

Legacy Donor Foundation

Metairie, Louisiana

December 31, 2020 and 2019

TABLE OF CONTENTS

Legacy Donor Foundation

Year ended December 31, 2020

I.	Independent Auditors' Report	1 - 2
II.	Financial Statements	
	a. Statements of Financial Position	3
	b. Statements of Activities	4
	c. Statements of Functional Expenses	6
	d. Statements of Cash Flows	8
III.	Notes to Financial Statements	9 - 14
IV.	Schedule of Compensation, Benefits, and Other Payments to Executive Director	15
V.	Independent Auditors' 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	16 - 17
VI.	Schedule of Findings and Responses	18
VII.	Summary Schedule of Prior Audit Findings	20

LeGlue & Company, CPAs, L.L.C.

June 22, 2021

To the Board of Directors
Legacy Donor Foundation
Metairie, LA

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of Legacy Donor Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2020 and 2019, 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.

Auditors' 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 audits 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 auditors' 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 the Foundation, as of December 31, 2020 and 2019, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Executive Director is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 June 22, 2021 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 the Foundation's internal control over financial reporting and compliance.

Respectfully submitted,



LeGlue & Company, CPAs, L.L.C.

STATEMENTS OF FINANCIAL POSITION

Legacy Donor Foundation

(See Independent Auditors' Report)

	<u>December 31</u>	
	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
<u>Current assets</u>		
Cash	\$ 252,030	\$ 251,478
Accounts receivable	102,575	-
Total current assets	<u>354,605</u>	<u>251,478</u>
Deposits	<u>5,000</u>	<u>-</u>
Total assets	<u>\$ 359,605</u>	<u>\$ 251,478</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts payable	\$ 407	\$ 4,618
Accrued liabilities	<u>-</u>	<u>2,278</u>
Total current liabilities	<u>407</u>	<u>6,896</u>
<u>Net assets</u>		
Without donor restrictions	268,246	231,243
With donor restrictions	<u>90,952</u>	<u>13,339</u>
Total net assets	<u>359,198</u>	<u>244,582</u>
Total liabilities and net assets	<u>\$ 359,605</u>	<u>\$ 251,478</u>

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES

Legacy Donor Foundation

For the year ended December 31, 2020

(See Independent Auditors' Report)

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Support and revenue			
Contributions	\$ 8,982	\$ -	\$ 8,982
Special events, net of direct costs of \$4,598	99,465	-	99,465
Grants	7,283	200,000	207,283
Interest income	574	-	574
Other income	4,031	-	4,031
PPP loan forgiveness	28,078	-	28,078
Net assets released from restriction	<u>122,387</u>	<u>(122,387)</u>	<u>-</u>
 Total supports and revenue	 <u>270,800</u>	 <u>77,613</u>	 <u>348,413</u>
Expenses			
Program services			
General Awareness Campaign	120,764	-	120,764
Youth Education Initiative	8,779	-	8,779
Living Donor Initiative	<u>1,055</u>	<u>-</u>	<u>1,055</u>
 Total program services	 <u>130,598</u>	 <u>-</u>	 <u>130,598</u>
Supporting services			
Fundraising	10,525	-	10,525
Management and general	<u>92,674</u>	<u>-</u>	<u>92,674</u>
 Total supporting services	 <u>103,199</u>	 <u>-</u>	 <u>103,199</u>
 Total expenses	 <u>233,797</u>	 <u>-</u>	 <u>233,797</u>
 Change in net assets	 37,003	 77,613	 114,616
Net assets, beginning of year	<u>231,243</u>	<u>13,339</u>	<u>244,582</u>
Net assets, end of year	<u>\$ 268,246</u>	<u>\$ 90,952</u>	<u>\$ 359,198</u>

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES

Legacy Donor Foundation

For the year ended December 31, 2019

(See Independent Auditors' Report)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue			
Contributions	\$ 16,741	\$ -	\$ 16,741
Special events, net of direct costs of \$97,935	116,787	-	116,787
Grants	10,400	-	10,400
Interest income	1,134	-	1,134
Other income	1,216	-	1,216
Net assets released from restriction	<u>12,028</u>	<u>(12,028)</u>	<u>-</u>
Total supports and revenue	<u>158,306</u>	<u>(12,028)</u>	<u>146,278</u>
Expenses			
Program services			
General Awareness Campaign	90,820	-	90,820
Youth Education Initiative	<u>12,028</u>	<u>-</u>	<u>12,028</u>
Total program services	<u>102,848</u>	<u>-</u>	<u>102,848</u>
Supporting services			
Fundraising	24,980	-	24,980
Management and general	<u>67,906</u>	<u>-</u>	<u>67,906</u>
Total supporting services	<u>92,886</u>	<u>-</u>	<u>92,886</u>
Total expenses	<u>195,734</u>	<u>-</u>	<u>195,734</u>
Change in net assets	(37,428)	(12,028)	(49,456)
Net assets, beginning of year	<u>268,671</u>	<u>25,367</u>	<u>294,038</u>
Net assets, end of year	<u>\$ 231,243</u>	<u>\$ 13,339</u>	<u>\$ 244,582</u>

See accompanying notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Legacy Donor Foundation

For the year ended December 31, 2020

(See Independent Auditors' Report)

	Program Services				Supporting Services			Total Program and Support
	General Awareness Campaign	Youth Education Initiative	Living Donor Initiative	Total Program Services	Fundraising	Management and General	Total Supporting Services	
Advertising and marketing	\$ 177	\$ -	\$ -	\$ 177	\$ 6,175	\$ -	\$ 6,175	\$ 6,352
Education	48,622	-	-	48,622	-	240	240	48,862
Entertainment, food, and decorations	53	-	-	53	82	-	82	135
Insurance	566	-	-	566	-	3,809	3,809	4,375
Lobbying	-	-	-	-	-	10,000	10,000	10,000
Meetings and travel	203	-	-	203	77	644	721	924
Miscellaneous	925	-	-	925	-	250	250	1,175
Office supplies	669	-	-	669	672	1,763	2,435	3,104
Postage and shipping	5,973	-	-	5,973	-	-	-	5,973
Printing and publications	1,338	-	-	1,338	-	-	-	1,338
Professional fees	1,700	-	-	1,700	-	15,370	15,370	17,070
Rent	875	-	-	875	-	1,952	1,952	2,827
Salaries and related benefits	43,834	8,779	1,055	53,668	8,117	54,810	62,927	116,595
Website development, hosting, and maintenance	15,829	-	-	15,829	-	3,836	3,836	19,665
Total expenses	120,764	8,779	1,055	130,598	15,123	92,674	107,797	238,395
Less: Direct benefit cost of special events	-	-	-	-	(4,598)	-	(4,598)	(4,598)
Total expenses reported by function	\$ 120,764	\$ 8,779	\$ 1,055	\$ 130,598	\$ 10,525	\$ 92,674	\$ 103,199	\$ 233,797

STATEMENT OF FUNCTIONAL EXPENSES

Legacy Donor Foundation

For the year ended December 31, 2019

(See Independent Auditors' Report)

	Program Services				Supporting Services			Total Program and Support
	General Awareness Campaign	Youth Education Initiative	Living Donor Initiative	Total Program Services	Fundraising	Management and General	Total Supporting Services	
Advertising and marketing	\$ 1,659	\$ -	\$ -	\$ 1,659	\$ 49,252	\$ -	\$ 49,252	\$ 50,911
Education	2,926	1,516	-	4,442	-	-	-	4,442
Entertainment, food, and decorations	-	-	-	-	33,550	-	33,550	33,550
Event rental expense	-	-	-	-	15,354	-	15,354	15,354
Insurance	-	-	-	-	382	4,142	4,524	4,524
Meetings and travel	2,054	-	-	2,054	-	1,697	1,697	3,751
Miscellaneous	1,871	-	-	1,871	790	2,377	3,167	5,038
Office supplies	750	-	-	750	-	2,607	2,607	3,357
Postage and shipping	791	-	-	791	-	-	-	791
Printing and publications	243	-	-	243	-	-	-	243
Professional fees	317	-	-	317	980	2,813	3,793	4,110
Rent	375	-	-	375	-	4,125	4,125	4,500
Salaries and related benefits	78,978	10,512	-	89,490	22,046	44,135	66,181	155,671
Website development, hosting, and maintenance	856	-	-	856	561	6,010	6,571	7,427
Total expenses	90,820	12,028	-	102,848	122,915	67,906	190,821	293,669
Less: Direct benefit cost of special events	-	-	-	-	(97,935)	-	(97,935)	(97,935)
Total expenses reported by function	\$ 90,820	\$ 12,028	\$ -	\$ 102,848	\$ 24,980	\$ 67,906	\$ 92,886	\$ 195,734

STATEMENTS OF CASH FLOWS

Legacy Donor Foundation

(See Independent Auditors' Report)

	<u>Years ended December 31</u>	
	<u>2020</u>	<u>2019</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 114,616	\$ (49,456)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Forgiveness of payroll protection program	(28,078)	-
Changes in assets - (Increase) Decrease		
Accounts receivable	(102,575)	-
Deposits	(5,000)	-
Changes in liabilities - Increase (Decrease)		
Accounts payable	(4,211)	853
Accrued liabilities	(2,278)	527
Total adjustments	<u>(114,064)</u>	<u>1,380</u>
Net cash used by operating activities	<u>(27,526)</u>	<u>(48,076)</u>
<u>Cash flows from investing activities</u>		
Proceeds from sales of marketable securities	-	265
Net cash provided by investing activities	<u>-</u>	<u>265</u>
<u>Cash flows from financing activities</u>		
Proceeds from payroll protection program	28,078	-
Net cash provided by financing activities	<u>28,078</u>	<u>-</u>
<u>Net increase (decrease) in cash and cash equivalents</u>	552	(47,811)
<u>Cash and cash equivalents, beginning of year</u>	<u>251,478</u>	<u>299,289</u>
<u>Cash and cash equivalents, end of year</u>	<u>\$ 252,030</u>	<u>\$ 251,478</u>

See accompanying notes to financial statements.

Notes to Financial Statements

Legacy Donor Foundation

Years ended December 31, 2020 and 2019

Note 1

The following explanatory comments are submitted relative to the nature of operations and summary of significant accounting policies of the Foundation:

Organization

The Legacy Donor Foundation (formerly the National Donor Awareness Foundation) (the Foundation) is a non-profit (501)(c)(3) corporation formed August 18, 1999 under the laws of the State of Louisiana. The Foundation's mission is to save and enhance lives by inspiring Louisiana residents to register as organ, eye, and tissue donors. The Foundation accomplishes this through education, outreach, and advocacy. The Foundation envisions a culture where all Louisiana citizens are committed to giving life through organ, eye, and tissue donation.

The majority of the Foundation's revenues are derived from public support, including contributions and grants. The continued operations of the Foundation are dependent on the renewal of grants and contributions from current funding sources as well as obtaining new funding.

The Foundation operates the following programs:

General Awareness Campaign

The Foundation's public awareness campaign educates Louisiana citizens about the critical need for organ and tissue donors through paid media (billboards, radio, and TV) and grass roots efforts such as participating in health fairs, workplace partnerships, public speaking engagements, and message marketing. This campaign encourages everyone to register as organ donors and share this decision with their family.

In order to recognize the vital link between the Office of Motor Vehicles (OMV) and the organ and tissue donor registry, the Foundation's OMV Education Program trains all OMV staff on organ donation facts, myths, and misconceptions in order to ensure that all customers are asked "Would you like to register as an organ, eye, and tissue donor?" In January 2020, the Foundation entered into a Cooperative Endeavor Agreement with the OMV. The Foundation was awarded two grants for \$100,000 each. Each grant covers eligible expenses for a 10-month period, with the last period ending June 30, 2021.

Note 1

(Continued)

The Foundation trains volunteers on the facts about organ and tissue donation in order to help them provide accurate information about donation and transplantation while working in the community.

The Foundation is a founding member of Donate Life Louisiana, a collaboration of organizations whose mission is to create trust, save and enhance lives, and positively impact the donor registry through education, awareness, and leadership. Donate Life Louisiana is now the brand used for all organ donor education and awareness activities.

Youth Education

The Foundation's multifaceted Youth Education Program aims to provide information on organ function and health, and provide accurate information about organ, eye, and tissue donation to elementary through high school aged students. The Youth Education Program includes developing and distributing a video and classroom toolkit on donation to all driver's education classes. This curriculum will provide drivers with the essential information to make an informed decision when asked about their wishes to register as donors when getting their driver's license of permit.

All of the Youth Education Program components are designed to educate youth so they have the information they need to make an informed decision regarding body health and donation.

Living Donor Louisiana

The Foundation's Living Donor Louisiana initiative serves as a platform to educate citizens about the prospect of living donation, facilitate living donation within the state's transplant centers, and empower those on the waiting list to potentially find their own donor from family members or friends.

Income Taxes

The Foundation is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for federal or state income taxes have been recorded in the accompanying financial statements.

Management has reviewed all tax positions take in filings with the taxing authorities and believes that there would be no resulting adjustment to taxes paid should these positions be examined.

Note 1

(Continued)

Basis of Accounting

The Foundation prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates

The preparation of financial statements in accordance 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 of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of Foundation's management and the board of directors.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Foundation considered all highly liquid debt instruments purchased with a maturity of three months or less, redeemable without penalty for early withdrawal, to be cash equivalents. The Foundation maintains, at a local financial institution, cash which may exceed federally insured amounts at times. At December 3, 2020 and 2019, cash balances were in excess of federally insured limits of \$2,005 and \$1,150, respectively.

Note 1

(Continued)

Promises to Give

Legally enforceable promises to give are recorded as receivables and support when unconditionally pledged. Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional.

Contributions

Contributions, including unconditional promises to give, are recorded when made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the year are recorded at their net realizable value. This standard provides a single comprehensive accounting standard for revenue recognition. In June 2018, the FASB issued ASU No. 2018-08 Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The amendments in this update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The Foundation implemented this ASU in 2019 and the impact of the adoption of this ASU did not have a material effect on its financial statements.

Contributed Goods and Services

The Foundation records various types of in-kind contributions. In-kind contribution support is recognized in accordance with the Not-For-Profit Entities Topic of FASB ASC (FASB ASC 958-30). This pronouncement requires recognition of contributed services received, if those services create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

The Foundation received in-kind contributions with fair values totaling \$37,000 during the year ended December 31, 2019, of which \$37,000 related to the Soul Revival special event and is recognized in special event revenue on the statement of activities. The related expenses are included in fundraising expense and program expense on the statement of functional expenses. The Foundation postponed the Soul Revival event in 2020 due to COVID-19, as such the Foundation did not receive any in-kind contributions in 2020.

Note 1

(Continued)

Functional Allocation of Expenses

Salaries and related benefits have been allocated among the program and supporting services benefited based on an estimated basis made by management.

Note 2

The Foundation received funding from Foundations for the years ended December 31, 2020 and 2019 of \$48,800 and \$49,804, respectively:

Note 3

Net assets with donor restrictions as of December 31, 2020 and 2019, respectively, are as follows:

	<u>2020</u>	<u>2019</u>
Youth Education Initiative	\$ 4,560	\$ 13,339
LA Cooperative Endeavor	<u>86,392</u>	<u>-</u>
	<u>\$ 90,952</u>	<u>\$ 13,339</u>

Note 4

Net assets released from donor restrictions during the years ended December 31, 2020 and 2019 for incurring expenses satisfying the restricted purpose are as follows:

	<u>2020</u>	<u>2019</u>
Youth Education Initiative	\$ 8,779	\$ 12,028
LA Cooperative Endeavor	<u>113,608</u>	<u>-</u>
	<u>\$ 122,387</u>	<u>\$ 12,028</u>

Note 5

The funds raised from special events support critical awareness and education programs that aim to reduce the number of Louisianans who die waiting for life-saving transplants by increasing the number of registered organ, eye, and tissue donors. Soul Revival and the Fall in Love Luncheon are the Foundation's most significant fundraising events. During the years ended December 31, 2020 and 2019, net revenues from special events were \$99,465 and \$116,887, respectively, after direct costs of \$4,598 and \$97,935, respectively.

Note 6

The Foundation rents office space on a month-to-month lease at a rate of \$375 per month. Lease expense under this agreement was \$4,500 for each of the years ended December 31, 2020 and 2019.

Note 7

Management has evaluated subsequent events through the date that the financial statements were issued, June 22, 2021, and determined that the only event that has occurred requiring disclosure relates to the impact from the coronavirus (COVID-19) on the global economy. As of the date of this report, the Foundation has received \$28,078 from the second round of Payroll Protection Program. Management cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption may materially impact the Foundation, or its contributors and vendors financial positions, results of operations, and cash flows in fiscal year 2021. No additional events were noted that would require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO EXECUTIVE DIRECTOR

Legacy Donor Foundation

(See Independent Auditors' Report)

Purpose	<u>Year ended</u> <u>2020</u>
Salary	\$ 75,664
Benefits - insurance	5,064
Benefits - retirement	-
Deferred compensation	-
Workers compensation	-
Benefits - life insurance	-
Benefits - long term disability	-
Benefits - unemployment insurance	-
Car allowance	-
Vehicle provided by government	-
Cellphone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	600
Conference travel	-
Unvouchered expenses	-
Meetings and conventions	-
Other	-
	<u>\$ 81,328</u>

LeGlue & Company, CPAs, L.L.C.

June 22, 2021

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
Legacy Donor Foundation
Metairie, LA

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 Legacy Donor Foundation (the “Foundation”), which comprise the statement of financial position as of December 31, 2020 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 June 22, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation’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 the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency, and described this finding at 2020-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation'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*.

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 result of that testing, and not to provide an opinion on the effectiveness of Foundation'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



LeGlue & Company, CPAs, L.L.C.

SCHEDULE OF FINDINGS AND RESPONSES

Legacy Donor Foundation

Year ended December 31, 2020

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal Control over financial reporting:

- Material weakness(es) identified ___ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses X Yes ___ No

Noncompliance material to financial statements noted ___ Yes X No

Section II – Financial Statement Findings -

Reference Number

2020 - 1

Criteria

Management of the Foundation is responsible for the design and implementation of internal controls to safeguard the assets of the Foundation.

Condition

As is common for an organization of this size, the Foundation lacks personnel with the expertise necessary to prepare annual financial statements with all required disclosures in accordance with accounting principles generally accepted in the United States of America. This is in and of itself considered a significant deficiency in the Foundation’s internal controls.

Cause

The Foundation has limited resources and its use of these resources is needed towards fulfilling the Foundation's mission. This limits the Foundation's options as it pertains to filling positions of expertise needed for preparing financial statements with all the required disclosures in accordance with accounting principles generally accepted in the United States of America.

Effect or Potential Effect

The Foundation's presentation of its financial operations could include omissions and/or errors.

Recommendation

We recommend that when it is feasible, the Foundation hire an individual with suitable skills and expertise, or hire another outside accounting firm with suitable skills and expertise, to prepare annual financial statements with all required disclosures in accordance with accounting principles generally accepted in the United States of America.

Views of Responsible officials and planned corrective actions

Management agrees with the finding; however, notes that it is not cost effective for the Foundation to employ personnel with the above mentioned expertise. Management also notes that the board oversees all financial statements and has access to accounting professionals that can and will advise the Foundation as necessary.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Legacy Donor Foundation

Year ended December 31, 2019

Financial Statement Findings

Finding 2019 - 1 – Finding related to the preparation of financial statements.

Status – Finding remains open, as noted in the 2020 - 1 finding.