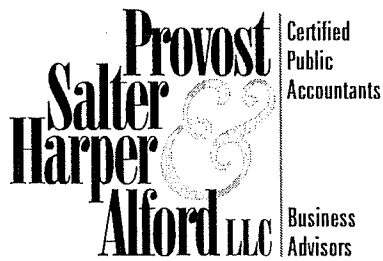


**BATON ROUGE CHILDREN'S
ADVOCACY CENTER**

FINANCIAL REPORT

December 31, 2020



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BATON ROUGE CHILDREN'S ADVOCACY CENTER

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the Board of Directors
Baton Rouge Children's Advocacy Center

Report on the Financial Statements

We have audited the accompanying financial statements of the Baton Rouge Children's Advocacy Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 the Baton Rouge Children's Advocacy Center as of December 31, 2020, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, benefits and other payments to agency head on Schedule I is presented to comply with the requirements issued by the State of Louisiana 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 September 30, 2021 on our consideration of Baton Rouge Children's Advocacy Center's internal control over financial reporting and 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 Baton Rouge Children's Advocacy Center's internal control over financial reporting and compliance.

Provost, Salter, Harper, & Alford LLC



Baton Rouge, Louisiana
September 30, 2021

Baton Rouge Children's Advocacy Center

*Statement of Financial Position**December 31, 2020***ASSETS**

Current Assets

Cash and cash equivalents	\$ 417,064
Receivables	295,983
Prepaid expenses and other	4,580
	<hr/>
Total current assets	717,627

Property and Equipment

Building and improvements	797,944
Equipment and furniture	119,423
Land	140,000
	<hr/>
	1,057,367
Less: Accumulated depreciation	(251,352)
	<hr/>
Net property and equipment	806,015
	<hr/>
Total Assets	\$ 1,523,642

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 54,342
Other current liabilities	2,754
	<hr/>
Total current liabilities	57,096

Noncurrent Liabilities

PPP loan	116,000
	<hr/>
Total Liabilities	173,096

Net Assets

Without donor restrictions	1,331,580
With donor restrictions	18,966
	<hr/>
Total net assets	1,350,546
	<hr/>
Total Liabilities and Net Assets	\$ 1,523,642

Baton Rouge Children's Advocacy Center

*Statement of Activities and Changes in Net Assets**Year Ended December 31, 2020*

	Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 110,842	\$ 336,570	\$ 447,412
Earned revenue	89,285	-	89,285
Fundraising events, net of expense	81,898	-	81,898
Government assistance and grants	437,005	-	437,005
Investment income	525	-	525
Other revenue	33,799	-	33,799
Net assets released from purpose and time restrictions	360,104	(360,104)	-
Total Support and Revenue	1,113,458	(23,534)	1,089,924
Expenses			
Program	575,052	-	575,052
Management and general	271,073	-	271,073
Fundraising	133,522	-	133,522
Total Expenses	979,647	-	979,647
Change in Net Assets	133,811	(23,534)	110,277
Net Assets			
Beginning of year	1,197,769	42,500	1,240,269
End of year	\$ 1,331,580	\$ 18,966	\$ 1,350,546

Baton Rouge Children's Advocacy Center

*Statement of Functional Expenses**Year Ended December 31, 2020*

	Program Services	General and Administrative	Fundraising	Total
Bank charges	\$ 188	\$ 99	\$ 43	\$ 330
Computer expense	14,640	7,727	3,331	25,698
Contract labor	528	-	-	528
Contract therapist	65,144	-	-	65,144
Depreciation	21,539	11,369	4,901	37,809
Dues and memberships	1,149	606	261	2,016
Furnishings	5,141	2,713	1,170	9,024
Insurance	11,881	6,271	2,703	20,855
Janitorial	3,423	1,807	779	6,009
Legal and professional	5,702	3,009	1,297	10,008
Marketing	-	-	17,626	17,626
Miscellaneous	3,105	1,639	706	5,450
Occupancy expense	9,833	5,190	2,237	17,260
Office expense	4,266	2,251	970	7,487
Payroll and benefits	410,113	216,463	93,311	719,887
Postage and delivery	229	121	52	402
Printing	719	379	164	1,262
Repairs and maintenance	4,850	2,560	1,104	8,514
Security	1,044	551	238	1,833
Supplies	4,266	2,251	970	7,487
Travel and training	7,292	3,849	1,659	12,800
Volunteer recognition	-	2,218	-	2,218
	<u>\$ 575,052</u>	<u>\$ 271,073</u>	<u>\$ 133,522</u>	<u>\$ 979,647</u>

Baton Rouge Children's Advocacy Center

Statement of Cash Flows**Year Ended December 31, 2020**

	2020
Cash Flows From Operating Activities	
Change in net assets	\$ 110,277
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation	37,809
(Increase) decrease in:	
Accounts receivable	(34,687)
Prepaid expense and other	14,632
Increase (decrease) in:	
Accounts payable	22,208
Accrued expense	538
	<hr/>
Net Cash Provided By (Used In) Operating Activities	150,777
Cash Flows From Investing Activities	
Purchase of property and equipment	<hr/> (152,360)
Net Cash Provided By (Used In) Investing Activities	(152,360)
Cash Flows From Financing Activities	
Proceeds from borrowings	<hr/> 116,000
Net Cash Provided By (Used In) Financing Activities	116,000
Net Increase (Decrease) In Cash And Cash Equivalents	114,417
Cash And Cash Equivalents	
Beginning	<hr/> 302,647
Ending	<hr/> \$ 417,064

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements

December 31, 2020

1. Nature of Organization and Significant Accounting Policies

Nature of Organization. Baton Rouge Children's Advocacy Center (the Organization) is comprised of a multi-disciplinary team of social workers and advocates, forensic interviewers, and treatment specialists. The Organization's primary goal is to provide client-centered services to children exposed to traumatic events, including sexual and physical assault, and witnessing domestic violence or homicide. The Organization provides services, without charge to the clients, for the parishes of East Baton Rouge, Iberville, Point Coupee, and West Baton Rouge.

The Organization's programs are as follows:

Trauma recovery services: Improves child medical and mental health outcomes, reducing the negative impact of trauma and chronic stress. Individual, family, and group therapy services are offered by specially trained therapists.

Forensic services: Improves prosecution outcomes of violent crime offenses against children by providing specially trained forensic interviewing in a home-like setting and in collaboration with other disciplines of medicine, law enforcement, and child protective services.

Community outreach and primary prevention: Builds awareness of child abuse in the community and promotes prevention of child abuse by providing education and training to adults who care for children and to children in schools.

The Organization is supported primarily through donor contributions, grants, the United Way, and the annual Celebrity Waiter fundraiser.

A summary of the Organization's significant accounting policies follows:

Basis of Accounting. The Organization maintains its records and reports its income using the accrual method of accounting and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies are described below to enhance the usefulness of the financial statements.

Basis of Presentation. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions—These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2020

Net Assets with Donor Restrictions—These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends, or the purpose of the restriction is accomplished, the net assets are restricted.

Revenue Recognition. Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Grants which are cost reimbursable under federal contracts are recorded as net assets without donor restrictions in the Statement of Activities and Changes in Net Assets.

Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents. For purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, and all highly liquid investments with an initial maturity of three months or less.

Allowance for Uncollectible Accounts. As of December 31, 2020, all accounts were considered collectible; therefore, no allowance for uncollectible accounts has been established. Accounts are considered past due based on their contractual terms. Receivables are closely monitored by management during the year and all accounts considered to be uncollectible are written off. Accounts over 90 days past due as of December 31, 2020 totaled \$91,026.

Concentration of Credit. Financial instruments which subject the Organization to concentrations of credit risk consist primarily of receivables. Management believes the risk is limited.

The Organization maintains its cash in bank deposit accounts at high credit quality financial institutions insured by the Federal Deposit Insurance Corporation. The bank deposits at times may exceed federally insured limits. At year end, no bank deposit accounts exceeded the insured limit.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2020

Concentration of Business Risk. For the year ended December 31, 2020, 41% of the Organization's annual revenues has come from contributions. Of total revenue, two contributors provided 44.5% of total support and revenue in 2020. It is considered reasonably possible that benefactors, grantors, or contributors might be lost in the near term.

Fixed Assets and Depreciation. Purchased or constructed fixed assets are recorded at cost. Fixed assets are depreciated over their estimated useful lives at the time the asset is placed in service using the straight-line method.

For financial statement presentation, the Organization provides for depreciation using the straight-line method of depreciation over the following estimated useful lives:

	Years
Buildings and improvements	5-30
Furniture and equipment	3-7

Contributed Services and Assets. The Organization records contribution revenue for certain services received at the fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased, if not provided by donation. Donated equipment and other non-cash donations are recorded as contributions at their fair value at the date of donation.

Advertising. Baton Rouge Children's Advocacy Center expenses advertising costs as incurred. Total advertising and promotion expense for the year ended December 31, 2020 was \$17,626.

Functional Allocation of Expenses. The Organization's operating costs have been allocated between program, general and administrative, and fundraising expenses based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are allocated based on how personnel cost is allocated.

Income Taxes. The Organization is a non-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Local Government Assistance. During the year ended December 31, 2020, the Organization entered into cooperative endeavor agreements with three local governmental entities. The agreements provide for two of the governmental entities to contribute \$25,000 each year for the three-year period ending in 2022, and one to contribute \$24,250 each year for the three-year period ending in 2022.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2020

Additionally, the Organization entered into cooperative endeavor agreements with four other local governmental agencies, which provide for each of the governmental entities to contribute \$2,500 to the Organization annually. In 2021, these cooperative endeavor agreements were renewed for another one-year term.

Subsequent Events. In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 30, 2021, the date the financial statements were available to be issued.

2. Net Assets with Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the purpose and time specified by the donors for the year ended December 31, 2020:

Behavioral health and wellness	\$	104,000
Patient therapy		58,430
Capital campaign general fund		68,450
Equipment acquisition		32,526
Human trafficking response		36,703
Administrative management		40,000
Abuse prevention education - LA Bar Foundation		19,000
Training		995
	\$	<u>360,104</u>

Net assets with donor restrictions are restricted for the following purposes at December 31, 2020:

Patient therapy	\$	2,685
Equipment acquisition		5,590
Human trafficking response		10,691
	\$	<u>18,966</u>

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2020

3. Changes in Fixed Assets

	Beginning of Year	Additions	Reductions	End of Year
Capital assets not being depreciated				
Land	\$ 140,000	\$ -	\$ -	\$ 140,000
Construction in progress	96,025	-	96,025	-
Total capital assets not being depreciated	236,025	-	96,025	140,000
Capital assets being depreciated				
Building & improvements	591,595	206,349	-	797,944
Furniture & fixtures	8,373	-	-	8,373
Computer & other equipment	69,012	42,038	-	111,050
Total capital assets being depreciated	668,980	248,387	-	917,367
Less accumulated depreciated				
Building & improvements	150,520	26,513	-	177,033
Furniture & fixtures	7,117	256	-	7,373
Computer & other equipment	55,906	11,040	-	66,946
Total accumulated depreciation	213,543	37,809	-	251,352
Total capital assets being depreciated, net	455,437	210,578	-	666,015
Total governmental activities capital assets, net	\$ 691,462	\$ 210,578	\$ 96,025	\$ 806,015

4. Payment Protection Program

On April 17, 2020, the Organization received a Payment Protection Program ("PPP") loan in the amount of \$116,000 from the Small Business Administration ("SBA"). The company fully utilized the funds for the PPP's intended purpose, and on July 21, 2021, the loan was fully forgiven.

5. Income Taxes

the Organization follows FASB ASC 740-10-25, *Accounting for Uncertainty in Income Taxes*. the Organization would recognize accrued interest and penalties associated with uncertain tax provisions, if any, as part of the income tax provision. the Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Organization's evaluation on December 31, 2020 revealed no uncertain tax positions that would have a material impact on the financial statements. the Organization's federal information

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Notes to the Financial Statements, continued

December 31, 2020

return is subject to possible examination by the taxing authorities until the expiration of the related statute of limitations on the information return. In general, the federal information return has a three-year statute of limitation.

6. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	2020
Cash and cash equivalents	\$ 417,064
Accounts receivable, net	295,983
	<hr/> 713,047
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions:	
Patient therapy	(2,685)
Equipment acquisition	(5,590)
Human trafficking response	(10,691)
	<hr/> \$ 694,081

7. Operating Leases

The Organization leases office equipment under an operating agreement with AllFax for a multifunction copier/printer starting in March 2020. The life of the lease is 36 months with a minimum lease payment of \$113/month.

Rental expense under these leases was \$1,130 for the year ended December 31, 2020. The minimum future lease payments receivable under the non-cancelable operating lease are as follows:

Year Ending December 31,	
2021	\$ 1,357
2022	1,357
2023	226
	<hr/> \$ 2,940

Baton Rouge Children's Advocacy Center

Schedule of Compensation, Benefits, and Other

Year Ended December 31, 2020

Payments to Agency Head

Agency Head Name: Toni Bankston

Purpose

Salary	\$	94,269
Bonus		10,000
Benefits - insurance		6,682
Travel		135
Training		1,290
License		78
	\$	<u>112,454</u>

**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
Baton Rouge Children's Advocacy Center
Baton Rouge, Louisiana

We were engaged to 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, the financial statements of Baton Rouge Children's Advocacy Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, 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 September 30, 2021.

Internal Control over Financial Reporting

In connection with our engagement to audit the financial statements of Baton Rouge Children's Advocacy Center, we considered Baton Rouge Children's Advocacy Center'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 Baton Rouge Children's Advocacy Center's internal control. Accordingly, we do not express an opinion on the effectiveness of Baton Rouge Children's Advocacy Center's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we did identify certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2020-001, 2020-002, and 2020-003 to be material weaknesses.

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.

Compliance and Other Matters

In connection with our engagement to audit the financial statements of Baton Rouge Children's Advocacy Center, 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*.

Baton Rouge Children's Advocacy Center's Response to Findings

Baton Rouge Children's Advocacy Center's response to the findings identified in our engagement is described in the accompanying schedule of findings and responses. Baton Rouge Children's Advocacy Center's response was not subjected to the auditing procedures applied in the engagement to audit the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the entity'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.

Provost, Salter, Harper, & Alford LLC



Baton Rouge, Louisiana
September 30, 2021

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses

December 31, 2020

Section I - Internal Control Findings

Finding 2020-001

Material Weakness in Internal Control over Financial Reporting-Preparation of Financial Statements

Criteria: Management is responsible for the preparation of financial statements in accordance with generally accepted accounting principles (GAAP).

Condition: The Baton Rouge Children's Advocacy Center does not have controls in place to prepare financial statements in accordance with generally accounting principles.

Potential Effect: Audit adjustments or disclosures required for the financial statements to be in conformity with GAAP may not be made or included.

Cause: The Baton Rouge Children's Advocacy Center does not obtain the necessary continuing education required to be knowledgeable of new standards nor do they subscribe to any service to ensure a current library necessary to prepare financial statements in accordance with GAAP.

Recommendation: Management should continue to evaluate the cost and related benefit to obtain the necessary training and resources to prepare financial statements in accordance with GAAP.

View of Responsible Official: The size of the office's accounting and administrative staff does not warrant retaining personnel with such specialized expertise. The Center believes that the staff is fully competent to perform their assigned duties and has determined it is most cost effective to request that the auditor assist with preparing adjustments necessary for the financial statements to be presented in accordance with generally accepted accounting principles. We will continue to monitor this issue on an annual basis.

Finding 2020-002

Material Weakness in Internal Control over Financial Reporting-Inadequate Segregation of Duties

Criteria: No one person should be assigned duties that would allow that person to commit an error or perpetrate fraud and to conceal the error or fraud. For example, the same person should not be responsible for any two of the following functions:

- 1) Authorization of a transaction;
- 2) Recording of the transaction; and

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses, continued

December 31, 2020

3) Custody of assets involved in the transaction.

Condition: The entity does not employ enough personnel to achieve an optimum level of segregation of duties.

Potential Effect: Errors could occur which could affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause: The size of the entity and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Recommendation: The resolution of this finding is not under the control of the Center as it may not be cost effective; however, management should monitor the assignment of duties to ensure as much segregation of duties as possible.

View of Responsible Official: We believe we have in place satisfactory segregation of duties based on the size of our organization but will continue to review and improve our segregation of duties as we move forward..

Finding 2020-003

Material Weakness in Internal Control over Financial Reporting-Bank Reconciliations

Criteria: In performing bank reconciliation procedures, we noted the following:

- 1) At least two checks were written and mailed in January 2021 but were dated in December 2020.
- 2) At least one deposit was recorded and had cleared the bank in December 2020; but was listed as an outstanding deposit at month end.

Condition: Bank reconciliations should be reviewed monthly and by another person independent of the bank reconciliation process. Management should review accounts to ensure proper posting and cutoff.

Potential Effect: Cash, revenues, and expenditures could be overstated or understated.

Cause: The bank reconciliation was not reviewed by another person independent of the bank reconciliation process and accounts were not reviewed to ensure proper posting and cutoff.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Findings and Responses, continued

December 31, 2020

Recommendation: The Center should implement procedures to ensure that bank reconciliations are reviewed. Management should review the general ledger to ensure accounts are properly stated.

View of Responsible Official: This finding occurred during the transition of finance management and our normal reconciliation procedure was interrupted due to this transition. Bank reconciliations are being reviewed by another person independent of the bank reconciliation process.

BATON ROUGE CHILDREN'S ADVOCACY CENTER

Schedule of Prior Year Findings

December 31, 2020

Ref No.	Fiscal Year Finding Initially Occurred	Description of Finding	Status of the Finding	Current Year Finding Ref No.
2019-001	2019	Financial Statement Submission	Resolved	N/A