

**BOYS AND GIRLS CLUB OF NORTH LOUISIANA, INC.**

*Financial Statements  
For the Year Ended December 31, 2023*



**Boys and Girls Club of North Louisiana, Inc.**  
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**For the Year Ended December 31, 2023**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Boys and Girls Club of North Louisiana, Inc.  
Ruston, Louisiana 71270

**Opinion**

We have audited the accompanying financial statements of Boys and Girls Club of North Louisiana, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of North Louisiana, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys and Girls Club of North Louisiana, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys and Girls Club of North Louisiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

To the Board of Directors  
Boys and Girls Club of North Louisiana, Inc  
Ruston, Louisiana 71270  
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### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Boys and Girls Club of North Louisiana, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boys and Girls Club of North Louisiana, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, reimbursements, benefits and other payments to agency head on page 14, is presented for purposes of additional analysis and are 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

Board of Directors  
Boys and Girls Club of North Louisiana, Inc.  
Ruston, Louisiana 71270  
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accounting and other records used to prepare the financial statements or to the financial statements To the 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 August 29, 2024, on our consideration of Boys and Girls Club of North Louisiana, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boys and Girls Club of North Louisiana, Inc.'s internal control over financial reporting and compliance.

West Monroe, Louisiana  
August 29, 2024

*Cameron Hines & Company (APAC)*

**Boys and Girls Club of North Louisiana, Inc.**  
**Statement of Financial Position**  
**December 31, 2023**

**ASSETS**

Cash and Cash Equivalents	\$ 2,572,667
Investments	617,222
Receivables	87,228
Prepaid Expenses and Other Assets	20,180
Due From BGC Timber Ridge	62,052
Furniture & Equipment, net	<u>141,923</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 3,501,272</u></u></b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>	
Accounts Payable and Accrued Liabilities	\$ 79,705
Total Current Liabilities	<u>79,705</u>
<b>Non-Current Liabilities</b>	
	-
Total Liabilities	<u>79,705</u>
<b>Net Assets</b>	
Without Donor Restrictions	
Undesignated	3,279,644
Invested in Property and Equipment, Net of Related Debt	141,923
With Donor Restrictions	
Time or Use Restricted for Future Periods	-
Total Net Assets	<u>3,421,567</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u><u>\$ 3,501,272</u></u></b>

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

**Boys and Girls Club of North Louisiana, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2023**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues, Gains, And Other Support</b>			
Contributions			
Grants	\$ -	\$ 1,583,870	\$ 1,583,870
Contributions	220,350	-	220,350
Special Events	532,047	-	532,047
Designated Contributions	-	101,155	101,155
Program Revenues	73,411	-	73,411
Investment Earnings	80,259	-	80,259
Total Revenues & Gains	<u>906,067</u>	<u>1,685,025</u>	<u>2,591,092</u>
 <b>Net Assets Released From Restrictions</b>			
Satisfaction of Program Restrictions	<u>1,583,870</u>	<u>(1,583,870)</u>	<u>-</u>
 <b>Total Revenues, Gains, and Other Support</b>	 2,489,937	 101,155	 2,591,092
 <b>Expenses:</b>			
Program Services	1,978,407	-	1,978,407
Support Services	235,078	-	235,078
Fundraising	125,671	-	125,671
<b>Total Expenses</b>	<u>2,339,156</u>	<u>-</u>	<u>2,339,156</u>
 Loss on Disposal of Assets	 -	 -	 -
 <b>Increase (Decrease) in Net Assets</b>	 150,781	 101,155	 251,936
 <b>Net Assets at Beginning of Year</b>	 <u>3,169,631</u>	 <u>-</u>	 <u>3,169,631</u>
 <b>NET ASSETS AT END OF YEAR</b>	 <u>\$ 3,320,412</u>	 <u>\$ 101,155</u>	 <u>\$ 3,421,567</u>

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

**Boys and Girls Club of North Louisiana, Inc.**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2023**

	<b>Program Services</b>	<b>Support Services</b>	<b>Fund Raising</b>	<b>Total</b>
Accounting Fees	\$ 99,090	\$ 11,648	\$ 6,224	\$ 116,962
Board Expenses	3,110	366	195	3,671
Depreciation	11,818	1,389	742	13,949
Fundraising Expenses	64,961	7,637	4,079	76,677
Office Expense	63,389	7,452	3,981	74,822
Organizational Dues	7,832	921	492	9,245
Other Human Resource Costs	242,860	31,109	16,637	290,606
Payroll Taxes	76,888	9,035	4,831	90,754
Program Expenses	165,966	19,512	10,422	195,900
Building Occupancy	118,544	13,930	7,448	139,922
Resource Development	41,200	4,844	2,587	48,631
Salaries & Wages	954,846	112,199	60,000	1,127,045
Summer Food Service Program	86,159	10,129	5,411	101,699
Sponsored Events	38,220	4,493	2,400	45,113
Transportation	3,524	414	222	4,160
<b>Totals</b>	<b><u>\$ 1,978,407</u></b>	<b><u>\$ 235,078</u></b>	<b><u>\$ 125,671</u></b>	<b><u>\$ 2,339,156</u></b>

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



**Boys and Girls Club of North Louisiana, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from Granting Agencies and Contributors	\$ 2,455,596
Payments to Suppliers for Goods and Services	(1,134,583)
Payments to Employees	(1,127,045)
Payment of Payroll Taxes	(90,754)
Net Cash Provided (Used) by Operating Activities	<u>103,214</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Investment Earnings	(25,220)
Purchase of Fixed Assets	(25,447)
Net Cash Provided (Used) by Investing Activities	<u>(50,667)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Net Cash Provided (Used) by Financing Activities	<u>-</u>
--	----------

**Net Increase (Decrease) in Cash and Cash Equivalents** 52,547

**Cash and Cash Equivalents at Beginning of Year** 2,520,120

**Cash and Cash Equivalents at End of Year** \$ 2,572,667

**by Operating Activities:**

Increase in Net Assets	\$ 251,936
Adjustments to Reconcile Increase in Net Assets to	
Net Cash Provided by Operating Activities:	
Non-Cash Contributions	(74,860)
Unrealized Investment (Gains)/Losses	(29,820)
Depreciation	13,949
Decrease in Accounts Receivable	40,055
Increase in Prepaid Expenses and Other Assets	(8,819)
Increase in Due From BGC Timber Ridge	(62,052)
Increase in Accounts Payable and Accrued Liabilities	(27,175)
Net Cash Provided (Used) by Operating Activities	<u>\$ 103,214</u>

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

**Boys and Girls Club of North Louisiana, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Nature of Activities**

Boys and Girls Club of North Louisiana, Inc., was incorporated under the laws of the State of Louisiana on May 28, 1997. The Club's principal locations are in Ruston and West Monroe, Louisiana. The Club is engaged in helping youth of all backgrounds, especially those who are disadvantaged. The club is supported primarily through donor contributions, grants and other support from various national, state, and local organizations including Boys & Girls Clubs of America, United Way, and the State of Louisiana.

**B. Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**C. Presentation of Statements**

ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenue and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Net assets, revenues, expenses, and changes in net assets are classified based on the existence or absence of donor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and are not subject to donor-imposed stipulations.

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource has been fulfilled, or both. As of the year ended December 31, 2020, the Organization does not have any donor-imposed restrictions that are perpetual in nature.

**D. Revenue**

The Club receives a substantial portion of its revenue from federal, state and local agencies. Revenue recognition depends on the contract, usually on a pro-rata basis over the life of the contract.

**E. Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Boys and Girls Club of North Louisiana, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Restricted and Unrestricted Revenue and Support**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 Statements of Activities as net assets from restriction.

**G. Donated Materials and Services**

Boys and Girls Club of North Louisiana, Inc. periodically receives donated materials and services. No amounts have been reflected in the financial statements for these materials and services.

**H. Cash Equivalents**

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

**I. Investments**

The Club carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

**J. Fixed Assets**

Boys and Girls Club of North Louisiana, Inc. follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$500. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Computer and equipment	5 years
Vehicles	5 years
Furniture and fixtures	7 years
Leasehold Improvements	15 years
Buildings	40 years

**K. Functional Allocations of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**L. 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.

**Boys and Girls Club of North Louisiana, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**M. Income Taxes**

Boys and Girls Club of North Louisiana, Inc. is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements. In addition, Boys and Girls Club of North Louisiana, Inc. has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the years ended December 31, 2023.

The provisions of ASC 740-10 (formerly FASB Interpretation No. 48 (FIN 48)) were adopted by the organization on January 1, 2009. The adoption of FIN 48 did not result in any changes to net assets or deferred income tax liabilities.

Accrued interest and penalties associated with uncertain tax positions are included as a component of the provision for income taxes. There were no unrecognized tax benefits at January 1, 2009. For the year ended December 31, 2023, there were no unrecognized tax benefits, or accrued interest and penalties.

The company files Form 990, an informational tax return in the U.S. federal tax jurisdiction. Federal tax returns prior to 2019 are closed.

**N. Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

**O. Revenue Recognition**

Contributions received are recorded under net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with 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 Statement of Activities as net assets released from restrictions.

**2. RECEIVABLES**

Receivables include the following:

	<b>2023</b>
OJJDP	\$ 2,885
Americorps	44,515
LDOE 21 <sup>st</sup> Century	39,828
Total	\$ 87,228

**Boys and Girls Club of North Louisiana, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**3. INVESTMENTS**

The Club's investments at December 31, 2023, consisted of cash reserve funds, equities, and publicly traded partnerships (PTPs). They are recorded in the financial statements at fair value based on quoted prices in active markets (level 1) of the securities on a recurring basis as summarized below:

	Quoted Prices in Active Markets for Identical Assets (Level 1 Inputs)	Other Observable Inputs (Level 2 Inputs)	Significant Unobservable Inputs (Level 3 Inputs)
Cash & Cash Equivalents	\$ 15,386	\$ -	\$ -
Equities	462,377	-	-
Mutual Funds	-	-	-
PTPs	139,459	-	-
<b>Totals</b>	<u>\$ 617,222</u>	<u>\$ -</u>	<u>\$ -</u>

Investment return at December 31, 2023, is as follows:

Net Realized and Unrealized Gains & (Losses)	\$ 55,039
Interest and Dividends	25,220
<b>Total Investment Return</b>	<u>\$ 80,259</u>

**4. FURNITURE AND EQUIPMENT**

Furniture and equipment is summarized below:

	<b>Balance 12/31/2022</b>	<b>Additions</b>	<b>Retirements &amp; Other</b>	<b>Balance 12/31/2023</b>
Furniture & Fixtures	\$ 8,149	\$ -	\$ -	\$ 8,149
Computers & Equipment	75,534	-	-	75,534
Machinery & Equipment	438,628	5,874	-	444,502
Vehicles	49,451	-	-	49,451
Buildings	101,302	-	-	101,302
Leasehold Improvements	71,554	-	-	71,554
Construction in Progress	-	19,573	-	19,573
Land	25,000	-	-	25,000
Total Furniture and Equipment	<u>769,618</u>	<u>25,447</u>	<u>-</u>	<u>795,065</u>
Less: Accumulated Depreciation	<u>(639,193)</u>	<u>-</u>	<u>(13,949)</u>	<u>(653,142)</u>
Net Furniture & Equipment	<u>\$ 130,425</u>	<u>\$ 25,447</u>	<u>\$ (13,949)</u>	<u>\$ 141,923</u>

Depreciation expense was \$13,949 for the year ended December 31, 2023.

**Boys and Girls Club of North Louisiana, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**5. FACILITIES**

Boys and Girls Club of North Louisiana, Inc.'s facilities in Ruston are provided by the City of Ruston. No rent is paid under an agreement that began in January 2005. The Club is responsible for all occupancy costs and normal upkeep and maintenance.

**6. CONCENTRATION OF CREDIT RISK**

Boys and Girls Club of North Louisiana, Inc. maintains bank accounts at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). The Club's bank statement balances at December 31, 2023 were \$2,716,042 and \$251,558 was covered by federally insured limits.

**7. PENSION PLAN**

The Boys and Girls Club of North Louisiana, Inc. pays into a pension plan on behalf of eligible employees, but does not administer the plan, nor is it responsible for payment of benefits. Contributions for year ended December 31, 2023, totaled \$56,825.

**8. RELATED PARTY TRANSACTIONS**

A board member is the official agent for the Club's independent insurance agency. During the year ended December 31, 2023, insurance premiums in the amount of \$72,729 were paid by the Club.

**9. UNITED WAY PROGRAMS**

The Boys and Girls Club of North Louisiana, Inc. participates in the United Way of Northeast Louisiana's Partner Agency program. As a participant in the program, the club must be in compliance with various financial, legal and accountability standards set forth by United Way.

**10. FEDERAL FINANCIAL ASSISTANCE**

The Club receives funding through various programs, such as the Boys & Girls Clubs of America as a subrecipient of funds provided by the Office of Justice Programs, AmeriCorps, and the Louisiana Dept of Education. Grant expenditures for the year ended December 31, 2023, was as follows:

<u>Grantor</u>	<u>Grant Name/Number</u>	<u>Expenditures</u>
Boys & Girls Clubs of America	OJP 2022-51332	\$ 20,000
AmeriCorp	2022-2023	303,736
LA Dept of Education - CACFP	CACFP 23	19,277
LA Dept of Education - CACFP	Century 21	210,190
LA Dept of Education - SFSP	SFSP 21	101,699
<b>Totals</b>		<b>\$ 654,902</b>

**Boys and Girls Club of North Louisiana, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**11. LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following.

Cash and Cash Equivalents	\$ 2,572,667
Investments	617,222
Receivables	<u>87,228</u>
<b>Total</b>	<b><u>\$ 3,277,117</u></b>

**12. SUBSEQUENT EVENTS**

Date of Management Evaluation

Management has evaluated subsequent events through August 29, 2024, the date on which the financial statements were available to be issued.

**Boys and Girls Club of North Louisiana, Inc.**  
**Schedule of Compensation, Reimbursements, Benefits,**  
**and Other Payments to Agency Head**  
**For the Year Ended December 31, 2023**

**Schedule 1**

**Agency Head:**

Executive Director - Mr. Eldonta' Osborne

**Purpose:**

Salary	\$	124,667
Benefits - Payroll Taxes, Retirement, and Insurance		21,967
Travel		-
Reimbursements		2,100
		2,100
<b>Total Compensation, Benefits and Other Payments</b>	<b>\$</b>	<b>148,734</b>
		<b>148,734</b>

See independent auditors' report.



# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

104 Regency Place

West Monroe, Louisiana 71291

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## **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**

Board of Directors  
Boys and Girls Club of North Louisiana, Inc.  
Ruston, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Boys and Girls Club of North Louisiana, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 August 29, 2024.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Boys and Girls Club of North Louisiana, 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 Boys and Girls Club of North Louisiana, 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.

Board of Directors  
Boys and Girls Club of North Louisiana, Inc.  
Ruston, Louisiana  
Page 2

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Boys and Girls Club of North Louisiana, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2023-01.

### **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.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
August 29, 2024

**Boys and Girls Club of North Louisiana, Inc.**  
**Schedule of Findings and Responses**  
**For The Year Ended December 31, 2023**

We have audited the financial statements of Boys and Girls Club of North Louisiana, Inc. as of and for the year ended December 31, 2023, and have issued our report thereon dated August 29, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of and for the year ended December 31, 2023, resulted in an unmodified opinion.

**Section I- Summary of Auditors' Reports**

**A. Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control

Material Weaknesses \_\_\_ yes X no    Significant Deficiencies \_\_\_ yes X no

Compliance

Compliance Material to Financial Statements X yes \_\_\_ no

**B. Federal Awards: N/A**

Internal Control

Material Weaknesses \_\_\_yes \_\_\_no    Significant Deficiencies \_\_\_yes\_\_\_no

Type of Opinion on Compliance  
For Major Programs

Unmodified \_\_\_ Modified \_\_\_  
Disclaimer \_\_\_ Adverse \_\_\_\_\_

Are their findings required to be reported in accordance with Uniform Guidance?

**C. Identification of Major Programs: N/A**

Dollar threshold used to distinguish between Type A and Type B Programs.

Is the auditee a "low-risk" auditee, as defined by Uniform Guidance?

**Boys and Girls Club of North Louisiana, Inc.**  
**Schedule of Findings and Responses**  
**For The Year Ended December 31, 2023**

**Section II-Financial Statement Findings**

**23-01 Late Submission of Financial Statements**

**Condition:**

It was noted that the Boys and Girls Club of North Louisiana, Inc. submitted its annual financial statements after the June 30, 2024, due date.

**Criteria:**

Under Louisiana law, statute 33:463 requires that the Boys and Girls Club of North Louisiana, Inc. must produce and transmit an annual financial statement to the Louisiana Legislative Auditor within six months of the close of the fiscal year.

**Effect:**

The Boys and Girls Club of North Louisiana, Inc. is not in compliance with the state law.

**Recommendation:**

The Boys and Girls Club of North Louisiana, Inc. should produce and submit its financial statements before the statutory deadline.

**Response:**

The Boys and Girls Club of North Louisiana, Inc. has taken steps to ensure that it will produce and submit its annual financial statements in a timely manner in the future.

**Section III- Federal Award Findings and Question Costs**

This section is not applicable for this entity.

**Boys and Girls Club of North Louisiana, Inc.**  
**Schedule of Prior Year Findings**  
**For the Year Ended December 31, 2023**

**A. Report on Internal Control and Compliance Material to the Financial Statements**

**22-01 Late Submission of Financial Statements**

**Condition:**

It was noted that the Boys and Girls Club of North Louisiana, Inc. submitted its annual financial statements after the June 30, 2023, due date.

**Criteria:**

Under Louisiana law, statute 33.463 requires that the Boys and Girls Club of North Louisiana, Inc. must produce and transmit an annual financial statement to the Louisiana Legislative Auditor within six months of the close of the fiscal year.

**Effect:**

The Boys and Girls Club of North Louisiana, Inc. is not in compliance with the state law.

**Recommendation:**

The Boys and Girls Club of North Louisiana, Inc. should produce and submit its financial statements before the statutory deadline.

**Response:**

The Boys and Girls Club of North Louisiana, Inc. has taken steps to ensure that it will produce and submit its annual financial statements in a timely manner in the future.

**Management Letter**

No management letter was issued.

**Boys and Girls Club of North Louisiana, Inc.**  
**Management's Corrective Action Plan**  
**For The Year Ended December 31, 2023**

**A. Report on Internal Control and Compliance Material to the Financial Statements**

**23-01 Late Submission of Financial Statements**

**Condition:**

It was noted that the Boys and Girls Club of North Louisiana, Inc. submitted its annual financial statements after the June 30, 2024, due date.

**Recommendation:**

The Boys and Girls Club of North Louisiana, Inc. should produce and submit its financial statements before the statutory deadline.

**Response:**

The Boys and Girls Club of North Louisiana, Inc. has taken steps to ensure that it will produce and submit its annual financial statements in a timely manner in the future.

**BOYS AND GIRLS CLUB OF NORTH LOUISIANA, INC.**

*Independent Accountants' Report on  
Applying Agreed-Upon Procedures*

*For the Year Ended December 31, 2023*



# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of the Boys & Girls Club of North Louisiana, Inc.  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023, through December 31, 2023. The Boys & Girls Club of North Louisiana, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

The Boys & Girls Club of North Louisiana, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2023, through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### 1) *Written Policies and Procedures*

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- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:<sup>1</sup>
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
  - iii. ***Disbursements***, including processing, reviewing, and approving.
  - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the

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<sup>1</sup> For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.



completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. ***Ethics***<sup>2</sup>, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

**Findings:** Sixteen exceptions noted where the entity's written policies and procedures did not address the required topics.

## ***2) Board or Finance Committee***<sup>3</sup>

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- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

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<sup>2</sup> The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

<sup>3</sup> These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds<sup>4</sup>, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds<sup>5</sup> if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.<sup>6</sup>

**Findings:** No exceptions noted.

### 3) *Bank Reconciliations*

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- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts<sup>7</sup> (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
  - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

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<sup>4</sup>Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act.

<sup>5</sup> R.S. 24:513 (A)(1)(b)(iv) defines public funds.

<sup>6</sup> No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings.

<sup>7</sup> Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

**Findings:** No exceptions noted.

**4) Collections (excluding electronic funds transfers)<sup>8</sup>**

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- A. Obtain a listing of deposit sites<sup>9</sup> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations<sup>10</sup> and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
  - i. Employees responsible for cash collections do not share cash drawers/registers;
  - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
  - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - i. Observe that receipts are sequentially pre-numbered.<sup>11</sup>
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

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<sup>8</sup> The Collections category is not required to be performed if the entity has a third-party contractor performing all collection functions (e.g., receiving collections, preparing deposits, and making deposits).

<sup>9</sup> A deposit site is a physical location where a deposit is prepared and reconciled.

<sup>10</sup> A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office. For school boards only, the practitioner should consider the deposit site and collection location to be the same if there is a central person (secretary or bookkeeper) through which collections are deposited.

<sup>11</sup> The practitioner is not required to test for completeness of revenues relative to classroom collections by teachers.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt<sup>12</sup> at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

**Findings:** Four exceptions noted where deposits were not made timely.

**5) *Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

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- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
  - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
  - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

*[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]*

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
  - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

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<sup>12</sup> As required by Louisiana Revised Statute 39:1212.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity’s main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity’s policy, and (b) approved by the required number of authorized signers per the entity’s policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

**Findings:** Three exceptions noted where documentation did not indicate proper segregation of duties.

***6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

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- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards<sup>13</sup>. Obtain management’s representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
  - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
  - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection)<sup>14</sup>. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

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<sup>13</sup> Including cards used by school staff for either school operations or student activity fund operations.

<sup>14</sup> For example, if 3 of the 5 cards selected were fuel cards, transactions would only be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #7B were fuel cards, procedure #7C would not be applicable.

**Findings:** Four exceptions noted where the credit card statement was not approved by someone other than the cardholder. Twenty-seven exceptions noted where there was no itemized receipt showing the detail of what was purchased. Therefore, we could not test for attribute C2 on these exceptions. One exception noted where there was no documentation of those who participated in meals.

## ***7) Travel and Travel-Related Expense Reimbursements<sup>15</sup> (excluding card transactions)***

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- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
  - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
  - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
  - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Findings:** Three exceptions noted where the expense was not approved by someone other than the employee who was reimbursed.

## ***8) Contracts***

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- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law<sup>16</sup> (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

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<sup>15</sup> Non-travel reimbursements are not required to be inspected under this category.

<sup>16</sup> If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Findings:** No exceptions noted.

## ***9) Payroll and Personnel***

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- A. Obtain a listing of employees and officials<sup>17</sup> employed during the fiscal period and management’s representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
  - i. Observe that all selected employees or officials<sup>18</sup> documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity’s cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management’s representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management’s termination payment calculations and the entity’s policy on termination payments. Agree the hours to the employee’s or official’s cumulative leave records, agree the pay rates to the employee’s or official’s authorized pay rates in the employee’s or official’s personnel files, and agree the termination payment to entity policy.
- D. Obtain management’s representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers’ compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

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<sup>17</sup> “Officials” would include those elected, as well as board members who are appointed.

<sup>18</sup> Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.

**Findings:** No exceptions noted.

### **10) Ethics<sup>19</sup>**

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
  - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

**Findings:** This procedure is not applicable to this entity.

### **11) Debt Service<sup>20</sup>**

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

**Findings:** This procedure is not applicable to this entity.

### **12) Fraud Notice<sup>21</sup>**

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the

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<sup>19</sup> The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the procedures should be performed.

<sup>20</sup> This AUP category is generally not applicable to nonprofit entities. However, if applicable, the procedures should be performed.

<sup>21</sup> Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs and the notice is available for download at [www.la.gov/hotline](http://www.la.gov/hotline)



misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

**Findings:** No exceptions noted.

### ***13) Information Technology Disaster Recovery/Business Continuity***

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- A. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
- i. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
  - ii. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
  - iii. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267<sup>22</sup>. The requirements are as follows:
- i. Hired before June 9, 2020 - completed the training; and
  - ii. Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

**Findings:** We performed the procedure and discussed the results with management.

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<sup>22</sup> While it appears to be a good practice for charter schools to ensure its employees are trained to keep their information technology assets safe from cyberattack, charter schools do not appear required to comply with 42:1267. An individual charter school, though, through specific provisions of its charter, may mandate that all employees/officials receive cybersecurity training.

#### ***14) Prevention of Sexual Harassment<sup>23</sup>***

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
  - i. Number and percentage of public servants in the agency who have completed the training requirements;
  - ii. Number of sexual harassment complaints received by the agency;
  - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - v. Amount of time it took to resolve each complaint.

**Findings:** This procedure is not applicable to this entity.

#### ***Management's Response***

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We agree with the results of the procedures and will address the identified exceptions.

We were engaged by the Boys & Girls Club of North Louisiana, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Boys & Girls Club of North Louisiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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<sup>23</sup> While it appears to be a good practice for charter schools to ensure it has policies and training for sexual harassment, charter schools do not appear required to comply with the Prevention of Sexual Harassment Law (R.S. 42:341 et seq). An individual charter school, through the specific provisions of its charter, may mandate sexual harassment training.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
August 29, 2024