

EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
BATON ROUGE, LOUISIANA

AUDITED FINANCIAL STATEMENTS  
June 30, 2023 and 2022



**TWRU**

*CPAs & Financial Advisors*

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
East Baton Rouge Truancy Assessment, Inc.  
Baton Rouge, Louisiana

### ***Opinion***

We have audited the accompanying financial statements of East Baton Rouge Truancy Assessment Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of East Baton Rouge Truancy Assessment Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of 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 the East Baton Rouge Truancy Assessment Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the East Baton Rouge Truancy Assessment 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 East Baton Rouge Truancy Assessment 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.

#### ***Prior Period Financial Statements***

The financial statements of the East Baton Rouge Truancy Assessment, Inc. as of June 30, 2022, were audited by another auditor whose report dated December 15, 2022, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer, as required by Louisiana Revised Statute 24:513 (A)(3), is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 March 20, 2024, on our consideration of the East Baton Rouge Truancy Assessment Inc. 's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the East Baton Rouge Truancy Assessment Inc. 's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the East Baton Rouge Truancy Assessment Inc. 's internal control over financial reporting and compliance.

TWRU

CPAs & Financial Advisors  
Baton Rouge, Louisiana  
March 20, 2024





## EAST BATON ROUGE TRUANCY ASSESSMENT, INC.

## STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022

(See Notes to Financial Statements)

ASSETS

	June 30,	
	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 92,138	\$ 153,217
Receivables	99,288	205,012
Prepaid expenses	7,102	15,087
	<u>198,528</u>	<u>373,316</u>
TOTAL CURRENT ASSETS	198,528	373,316
PROPERTY AND EQUIPMENT, net	<u>383,848</u>	<u>415,559</u>
TOTAL ASSETS	<u>\$ 582,376</u>	<u>\$ 788,875</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 17,147	\$ 1,500
Line of Credit	1,193	1,193
Accrued Liabilities	40,206	27,723
Bridge Loan	146,590	169,876
	<u>205,136</u>	<u>200,292</u>
TOTAL CURRENT LIABILITIES	205,136	200,292
NET ASSETS		
Without Donor Restrictions:	<u>377,240</u>	<u>588,583</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 582,376</u>	<u>\$ 788,875</u>

## EAST BATON ROUGE TRUANCY ASSESSMENT, INC.

STATEMENTS OF ACTIVITIES  
 For the Years Ended June 30, 2023 and 2022  
 (See Notes to Financial Statements)

	<u>2023</u>	<u>2022</u>
<b>SUPPORT AND REVENUES</b>		
Grants and Financial Contributions	\$ 748,784	\$ 998,944
Non-financial Contributions	445,456	445,456
Rent and Utilities	207,434	211,820
Forgiveness of PPP Loan	-	81,377
Miscellaneous	6,900	4,867
Interest Income	<u>15</u>	<u>27</u>
<b>TOTAL SUPPORT AND REVENUES</b>	<b>1,408,589</b>	<b>1,742,491</b>
<b>EXPENSES</b>		
Program Expenses		
Family and Youth Service Center	618,243	656,226
Truancy Assessment Service Center	<u>411,039</u>	<u>408,905</u>
<b>Total Program Expenses</b>	<b>1,029,282</b>	<b>1,065,131</b>
Management and General Expenses	<u>590,650</u>	<u>653,800</u>
<b>TOTAL EXPENSES</b>	<b><u>1,619,932</u></b>	<b><u>1,718,931</u></b>
<b>(DECREASE) INCREASE IN NET ASSETS</b>	<b>(211,343)</b>	<b>23,560</b>
<b>NET ASSETS</b>		
BEGINNING OF YEAR	<u>588,583</u>	<u>565,023</u>
END OF YEAR	<u><u>\$ 377,240</u></u>	<u><u>\$ 588,583</u></u>

## EAST BATON ROUGE TRUANCY ASSESSMENT, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

For the Years Ended June 30, 2023 and 2022

(See Notes to Financial Statements)

	2023				2022	
	FYSC	TASC	Total Program	Management & General	Total Expenses	Total Expenses
Accounting	\$ -	\$ 1,800	\$ 1,800	\$ 24,902	\$ 26,702	\$ 24,944
Advertising	-	-	-	-	-	315
Computer	-	-	-	49,025	49,025	65,210
Contract labor	-	-	-	53	53	1,268
Depreciation	-	820	820	45,612	46,432	45,724
Equipment	-	1,965	1,965	-	1,965	352
Insurance	-	16,230	16,230	20,219	36,449	31,242
Interest	-	102	102	-	102	71
Meals and entertainment	-	-	-	963	963	1,248
Occupancy, non-financial	323,700	23,760	347,460	-	347,460	347,460
Office	260	3,663	3,923	65,836	69,759	23,669
Payroll taxes	16,867	19,743	36,610	13,897	50,507	47,830
Professional Fees	50,111	5,000	55,111	-	55,111	93,330
Repairs and maintenance	-	-	-	82,461	82,461	147,742
Salaries and wages	224,653	333,039	557,692	180,261	737,953	745,460
Supplies	896	-	896	5,984	6,880	15,155
Travel	1,756	4,917	6,673	4,410	11,083	7,304
Utilities	-	-	-	97,027	97,027	120,607
TOTAL	<u>\$618,243</u>	<u>\$411,039</u>	<u>\$ 1,029,282</u>	<u>\$ 590,650</u>	<u>\$ 1,619,932</u>	<u>\$ 1,718,931</u>



## EAST BATON ROUGE TRUANCY ASSESSMENT, INC.

STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2023 and 2022  
(See Notes to Financial Statements)

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (211,343)	\$ 23,560
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	46,434	45,723
Decrease (Increase) in Assets:		
Receivables	105,724	25,053
Prepaid expenses and other assets	7,985	(11,949)
Increase (Decrease) in Liabilities:		
Accounts payable	15,647	1,500
Accrued Liabilities	12,483	(3,587)
NET CASH (USED)PROVIDED BY OPERATING ACTIVITIES	<u>(23,070)</u>	<u>80,300</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	<u>(14,723)</u>	<u>(42,058)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(14,723)</u>	<u>(42,058)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Payments) Net Proceeds on bridge loan	(23,286)	60,000
Proceeds from PPP Loans	<u>-</u>	<u>(81,377)</u>
NET CASH USED BY FINANCING ACTIVITIES	<u>(23,286)</u>	<u>(21,377)</u>
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	<u>(61,079)</u>	<u>16,865</u>
BEGINNING CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	<u>153,217</u>	<u>136,352</u>
ENDING CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	<u>\$ 92,138</u>	<u>\$ 153,217</u>

EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – East Baton Rouge Truancy Assessment, Inc. (the Organization) is a Louisiana non-profit organization incorporated February 21, 2001, operating in East Baton Rouge parish, for the purpose of identifying children who have exhibited truant tendencies, assessing the causal problems for these tendencies, and providing services or referring the identified children and their families to necessary services to eliminate or alleviate the causal problems for the truant behavior.

The organization operates the following programs: Truancy Assessment Service Center (TASC) and Family and Youth Service Center (FYSC).

*TASC* – Designed to provide early identification, rapid assessment, and intensive truancy reduction services to at-risk students in grades kindergarten through fifth grade. The TASC program targets children that are most in need of services as well as “high-risk” schools. TASC is funded by the Louisiana Commission on Law Enforcement.

*FYSC* – Designed to offer services for youth and families in a convenient and caring environment, FYSC is funded by the East Baton Rouge Parish School Board, Sheriff’s Office, District Attorney’s Office, Mayor-President’s Office, and private grants.

Basis of Presentation – The financial statements were prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The statement of activities presents expenses of the Organization functionally by program services, fundraising, and management and general.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Financial Statement Presentation – The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions. Net assets with donor restrictions are 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, such as those that the donor stipulates resources be maintained in perpetuity. Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. When a donor’s restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reporting in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. The Organization does not have any net assets with donor restrictions for the year ended June 30, 2023.

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. Estimates are used primarily when accounting for the allowance for doubtful accounts, depreciation, prepaid assets, accrued liabilities, and non-financial contributions.

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Organization considers all highly liquid investments, both restricted and unrestricted, with an initial maturity of three months or less to be cash equivalents.



EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables – Bad debts are charged to operations in the year in which the account is determined uncollectible. If the reserve method of accounting for uncollectible accounts were used, it would not have a material effect on the financial statements. No amounts for an allowance for bad debts have been established as the Organization expects to collect the balance in full. The Organization does not require any collateral for its receivables.

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

Revenue With and Without Donor Restrictions – Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Rental Income – Rental income is recognized when due from tenants, generally upon the first day of each month.

Property and Equipment – Purchased property and equipment is recorded at cost. Acquisitions of land, buildings, and improvements, furniture and equipment in excess of \$500 are capitalized. Depreciation is calculated using the straight-line method over the estimated useful life of the assets. Estimated useful lives range from 5 to 15 years for most furniture, equipment, and major improvements and 39 years for buildings.

Depreciation expense was \$46,432 and \$45,724 for years ended June 30, 2023 and 2022, respectively.

Repair and maintenance costs are expensed as incurred. When property and equipment are retired or otherwise disposed, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective year.

Leases – Lease determination and classification is recorded at the commencement date. Both operating and finance leases are included in leased equipment, current liabilities, and long-term lease liabilities on the balance sheet. Right-of-use (“ROU”) assets (see Note 4) represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the leases. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we elected to use a risk-free rate at commencement date in accordance with accounting standards. Operating lease ROU assets also include any lease payments made and excludes lease incentives. Our lease terms include options to extend or terminate when we are reasonably certain of that outcome. Lease expense for lease payment is recognized on a straight-line basis over lease term. Lease agreements may contain both lease and non-lease components, which are generally accounted for separately.

Income Taxes – The Organization has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made; however, if the Organization should engage in activities unrelated to the purpose for which it was created, taxable income could result. The Organization had no unrelated business income for the year ended June 30, 2023 and 2022.



EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Expense Allocation** – Directly identifiable expenses are charges to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

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

**NOTE 2: INCOME TAXES**

The Organization follows FASB Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in an organization's financial statements. The guidance prescribes a recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. As of June 30, 2023, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Generally, the tax years prior to June 30, 2020, are no longer subject to examination by federal, state, or local taxing authorities.

**NOTE 3: GRANTS RECEIVABLE**

At June 30, 2023 and 2022, grants receivable were as follows:

	<u>2023</u>	<u>2022</u>
Louisiana Commission on Law Enforcement	\$ 24,861	\$ 105,012
East Baton Rouge Parish School System	74,427	100,000
Net Property and Equipment	\$ 99,288	\$ 205,012

**NOTE 4: PROPERTY AND EQUIPMENT**

At June 30, 2023, property and equipment was as follows:

	Balance		Balance
	<u>6/30/2022</u>	<u>Additions</u>	<u>6/30/2023</u>
Land	\$ 73,365	\$ -	\$ 73,365
Leasehold Improvements	673,922	-	673,922
Equipment	206,718	14,721	221,439
Parking Lot	52,423	-	52,423
Software	43,716	-	43,716
Total Assets			
Depreciation	(634,585)	(46,432)	(681,017)
Net Property and Equipment	\$ 415,559	\$ (31,711)	\$ 383,848

EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

NOTE 4: PROPERTY AND EQUIPMENT (Continued)

At June 30, 2022, property and equipment was as follows:

	Balance 6/30/2021	Additions	Deletions	Balance 6/30/2022
Land	\$ 73,365	\$ -	\$ -	\$ 73,365
Leasehold Improvements	640,459	33,463	-	673,922
Equipment	198,124	8,594	-	206,718
Parking Lot	125,788	-	(73,365)	52,423
Software	43,716	-	-	43,716
Total Assets	1,081,452	42,057	(73,365)	1,050,144
Depreciation	(588,861)	(45,724)	-	(634,585)
Net Property and Equipment	\$ 492,591	\$ (3,667)	\$ (73,365)	\$ 415,559

NOTE 5: LINE OF CREDIT

The Organization has a \$20,000 revolving line of credit with a bank, of which \$1,193 was drawn as of June 30, 2023 and 2022, bearing interest of 7.25% per annum, unsecured.

NOTE 6: NON-FINANCIAL CONTRIBUTIONS

The East Baton Rouge Parish School System and the Sheriff's Office provide services by employees on an in-kind basis. The estimated value of these non-financial contributions of the employees' time is \$93,760 and \$93,760 for the years ended June 30, 2023 and 2022, respectively.

The Louisiana Department of Education provides office space on an in-kind basis. The estimated value of these non-financial contributions of the facilities' rent is \$347,460 and \$351,696, respectively, for the year ended June 30, 2023 and 2022, and is recognized in the statement of activities.

NOTE 7: OPERATING LEASES

The Organization leases the facilities that it holds from the Louisiana Department of Education as non-financial contributions to various other entities under separate operating leases. All leases are initiated as one-year lease. As of June 30, 2023, all tenants lease their space on a month-to-month basis.

NOTE 8: BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board, receiving no compensation or per diem.

NOTE 9: CONCENTRATIONS

The Organization receives revenue through grants and contracts administered by the State of Louisiana. The grant contract amounts are appropriated each year by the state government. If significant budget cuts were to be made at the state level, the amount of funds received by the organization could be reduced by an amount that could adversely impact its operations. Management is not aware of any actions that will adversely affect the amount of grants and contracts the organization will receive in the next fiscal year.



EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2023 and 2022

NOTE 10: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

	6/30/2023	6/30/2022
Current Assets, excluding nonfinancial assets	\$ 191,426	\$ 358,229
Financial Assets available to meet cash needs for General expenditures within one year	\$ 191,426	\$ 358,229

NOTE 11: NEW ACCOUNTING PRONOUNCEMENTS

In January 2023, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2020-07, Not-for-Profit Entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities Contribute Nonfinancial Assets. The ASU required nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. The Organization's adoption of ASU No. 2020-07 did not result in any quantitative adjustments to their financial statement presentation.

In February 2016, the FASB issues ASC No. 2016-02, Leases (Topic ASC 842) intended to improve financial reporting regarding leasing transactions. The new standard affects all companies and organizations that lease assets. The standard requires organizations to recognize, on the balance sheet, the assets and liabilities for the rights and obligations created by those leases if the lease terms are more than 12 months. The guidance also will require qualitative and quantitative disclosures providing additional information about the amounts recorded in the financial statements. Lessors are required to make additional disclosures with regards to assets leased to others. The Organization's adoption of ASU No. 2016-02 did not result in any adjustment to their financial statement presentation.

The accounting for a lessor under Topic ASC 842 is substantially unchanged from current leasing standards. The vast majority of operating leases should continue to be classified as operating leases. However, certain aspects of the lessor accounting model have been aligned with the new revenue recognition guidance introduced by FASB ASC 606, Revenue from Contracts with Customers. The Organization elected not to reassess at adoption: (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases. The adoption did not result in a significant effect on amounts reported in the statement of operations for the year ended June 30, 2023.

NOTE 12: RELATED PARTY TRANSACTIONS

During 2023, the Organization borrowed funds from related parties. From time to time, the Organization borrows funds from the East Baton Rouge Parish School System and other parties to fill funding gaps. These loans do not have a maturity date, interest rate, or required monthly payments. As of June 30, 2023 and 2022, these loans totaled \$156,656 and \$169,876, respectively.

NOTE 13: SUBSEQUENT EVENTS

In August 2023, the Organization transferred TASC to the control of the East Baton Rouge District Attorney's Office. A motion was approved by the Board to rename the Organization to the Family and Youth Services Center.

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 20, 2024, the date the financial statements were available to be issued.



EAST BATON ROUGE TRUANCY ASSESSMENT, INC.

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO  
AGENCY HEAD, POLITICAL SUBDIVISION HEAD OR CHIEF EXECUTIVE OFFICER  
For the Year Ended June 30, 2023

**Agency Head - TASC: Jennie Ponder, Executive Director**

	<u>2023</u>
Salary	<u>\$ 89,800</u>
Total	<u>\$ 89,800</u>

**Agency Head - FYSC: Brenda R. Welch, Executive Director**

	<u>2023</u>
Salary	<u>\$ 90,000</u>
Total	<u>\$ 90,000</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  
East Baton Rouge Truancy Assessment, Inc.  
Baton Rouge, 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 East Baton Rouge Truancy Assessment Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 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, and have issued our report thereon dated March 20, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered East Baton Rouge Truancy Assessment Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of East Baton Rouge Truancy Assessment Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the East Baton Rouge Truancy Assessment Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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

### Purpose of This Report

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

# TWRU

CPAs & Financial Advisors  
Baton Rouge, Louisiana  
March 20, 2024



EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
SCHEDULE OF FINDINGS AND RESPONSES  
For the Year Ended June 30, 2023

**SUMMARY OF AUDITORS' REPORT**

Financial Statements:

Type of report issued the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal Control over Financial Reporting:

Material Weakness(es) Identified

No

Significant Deficiency(ies) Identified

No

Noncompliance Material to Financial Statements Noted

No

**FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS**

None reported.

EAST BATON ROUGE TRUANCY ASSESSMENT, INC.  
 PRIOR YEAR SCHEDULE OF FINDINGS AND RESPONSES  
 For the Year Ended June 30, 2022

**FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED *GOVERNMENT AUDITING STANDARDS***

2022-001            Segregation of duties

Condition:        Due to the relatively small size of the organization, ideal segregation of duties cannot be achieved. This is a repeat finding from the prior year.

Criteria:          The organization should separate responsibilities for authorizing transactions, recording transactions, and custody of assets.

Cause:            The size of the organization does not permit proper segregation of duties.

Effect:            The lack of segregation of duties increases the risk of fraud related to misappropriation of assets, financial statement misstatement, or both.

Auditor's Recommendation:        While it may not be cost effective to justify implementing a full segregation of duties for an extensive system of internal control in all areas, I believe that it is important that management and those charged with governance be made aware that some weakness exists and that they should continue to apply diligent oversight and monitoring of activities.

Management's Response:        The organization implemented all suggested safeguards. Debit card purchases are approved by the director and a Board member. Bank reconciliations are performed by a bookkeeper on a monthly basis, and the reports are provided to Board members at each monthly board meeting. Checks in excess of \$500 require dual signatures. Management will continue to work more efficiently and diligently with the Board in providing information and documents to assist in improving oversight and monitoring of all activities.



INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of East Baton Rouge Truancy Assessment, 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 July 1, 2022, through June 30, 2023. East Baton Rouge Truancy Assessment, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

East Baton Rouge Truancy Assessment, 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 July 1, 2022, through June 30, 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:

***Written Policies and Procedures***

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1. 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:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.  
*No Exceptions Noted.*
  - b) ***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.  
*No Exceptions Noted.*
  - c) ***Disbursements***, including processing, reviewing, and approving.  
*No Exceptions Noted.*
  - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the 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).  
*No Exceptions Noted.*
  - e) ***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(s) rate of pay or approval and maintenance of pay rate schedules.  
*No Exceptions Noted.*

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.  
*No Exceptions Noted.*
- g) **Credit Cards (and debit cards, fuel cards, P-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).  
*No Exceptions Noted.*
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.  
*No Exceptions Noted.*
- i) **Ethics**, 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.  
*Not Applicable.*
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) *No Exceptions Noted.*
- l) **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.  
*No Exceptions Noted.*
- m) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.  
*No Exceptions Noted.*

#### ***Board or Finance Committee***

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- 2. 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:
  - a) 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.
  - b) 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, and semi-annual budget-to-actual, at a minimum, on all special revenue fund. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - n) 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.

*No exceptions noted.*

### ***Bank Reconciliations***

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3. 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 (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:
  - a) 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).
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) 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.

*No exceptions noted.*

### ***Collections (excluding electronic funds transfers)***

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4. Obtain a listing of deposit sites 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).

*No Exceptions Noted.*

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not 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.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

*No Exceptions Noted.*

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

*No Exceptions Noted.*

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (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). *Alternately, 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:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe the deposit was made within one business day of receipt 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).
  - e) Trace the actual deposit per the bank statement to the general ledger.

*No Exceptions Noted.*

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

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8. 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).

*No Exceptions Noted.*

9. For each location selected under #8 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, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) 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.
  - d) 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.

*No Exceptions Noted.*

10. For each location selected under #8 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:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.



- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

*No Exceptions Noted.*

#### *Credit Cards/Debit Cards/Fuel Cards/P-Cards*

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11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*No Exceptions Noted.*

12. 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:

- a) 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.
- b) Observe that finance charges and late fees were not assessed on the selected statements.

*No Exceptions Noted.*

13. Using the monthly statements or combined statements selected under #12 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 (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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 note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*No Exceptions Noted.*

#### *Travel and Travel-Related Expense Reimbursements (excluding card transactions)*

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14. 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, 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:

- a) If reimbursed using a per diem, observe 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)).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe 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 policy (procedure #1h).

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*No Exceptions Noted.*

### *Contracts*

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15. 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. *Alternately, 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:
  - a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe whether the contract was approved by the governing body/board, if required by policy or law.
  - c) If the contract was amended (e.g., change order), observe 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, was approval documented).
  - d) 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 the invoice and related payment agreed to the terms and conditions of the contract.

*Not Applicable.*

### *Payroll and Personnel*

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16. Obtain a listing of employees and officials 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.

*No Exceptions Noted.*

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: 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.)
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

*No Exceptions noted.*

18. 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, 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



or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

*No Exceptions Noted.*

19. 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.

*No Exceptions Noted.*

### *Ethics*

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

*Not Applicable.*

### *Debt Service*

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21. 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 State Bond Commission approval was obtained for each debt instrument issued.

*N/A – No Debt Service.*

22. 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).

*Not Applicable.*

### *Fraud Notice*

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23. 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 misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*No Exceptions Noted.*



24. Observe 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.

***Finding:***

*No notice posted on site. There is a sentence on the website about reporting fraud to the LLA, but they do not appear to have the prescribed notice posted.*

***Management's Response:***

*The required notice will be posted on the website.*

***Information Technology Disaster Recovery/Business Continuity***

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25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) 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.

*No Exceptions Noted.*

***Sexual Harassment***

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26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

*Not Applicable.*

27. Observe 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).

*Not Applicable.*

28. 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 it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements.
  - b) Number of sexual harassment complaints received by the agency.
  - c) Number of complaints which resulted in a finding that sexual harassment occurred.
  - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - e) Amount of time it took to resolve each complaint.

*Not Applicable.*

We were engaged by East Baton Rouge Truancy Assessment, 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 East Baton Rouge Truancy Assessment, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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.

TWRU

CPAs & Financial Advisors  
Baton Rouge, Louisiana  
March 20, 2024