
JEFFERSON CHILDREN’S ADVOCACY CENTER

JEFFERSON, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2023

RICHARD  CPAS

JEFFERSON CHILDREN’S ADVOCACY CENTER

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Independent Auditor's Report

To the Board of Directors of
Jefferson Children's Advocacy Center
Jefferson, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jefferson Children's Advocacy Center (the Center), which comprise the statements of financial position as of December 31, 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 referred to above present fairly, in all material respects, the financial position of Jefferson Children's Advocacy Center, as of December 31, 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 Jefferson Children's Advocacy Center and to meet our 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 Jefferson Children's Advocacy Center'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, including omissions, 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 Jefferson Children's Advocacy Center'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 Jefferson Children's Advocacy Center'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2024, on our consideration of the Center'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 Center's internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

Richard CPAS

Metairie, Louisiana
June 25, 2024

JEFFERSON CHILDREN'S ADVOCACY CENTER
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

ASSETS

	<u>2023</u>	<u>2022</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 23,702	\$ 179,715
Grants receivable	51,432	29,864
Insurance receivable	3,000	1,847
Prepaid expenses	500	846
Deposits	650	650
Total current assets	<u>79,284</u>	<u>212,922</u>
 <u>BUILDINGS AND EQUIPMENT, NET</u>	 <u>269,455</u>	 <u>10,022</u>
 <u>TOTAL ASSETS</u>	 <u>\$ 348,739</u>	 <u>\$ 222,944</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 68,312	\$ 33,081
Total current liabilities	<u>68,312</u>	<u>33,081</u>
 <u>NET ASSETS</u>		
Without donor restrictions	280,427	189,863
With donor restrictions	-	-
Total net assets	<u>280,427</u>	<u>189,863</u>
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 <u>\$ 348,739</u>	 <u>\$ 222,944</u>

The accompanying notes are an integral part of these financial statements.

JEFFERSON CHILDREN'S ADVOCACY CENTER
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023			2022		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
<u>REVENUES AND OTHER SUPPORT</u>						
Contributions	\$ 17,032	\$ -	\$ 17,032	\$ 40,698	\$ -	\$ 40,698
Special event revenue	61,433	-	61,433	88,865	-	88,865
Operating support and grants	83,398	197,473	280,871	-	141,095	141,095
Investment return, net	(301)	-	(301)	(1,809)	-	(1,809)
Donated salaries and benefits	341,531	-	341,531	291,079	-	291,079
Donated facilities	40,000	-	40,000	15,000	-	15,000
Miscellaneous income	57	-	57	239	-	239
	543,150	197,473	740,623	434,072	141,095	575,167
Net assets released from restrictions	197,473	(197,473)	-	141,095	(141,095)	-
Total revenues and other support	740,623	-	740,623	575,167	-	575,167
<u>EXPENSES</u>						
Program expenses	476,502	-	476,502	379,842	-	379,842
Management and general	143,729	-	143,729	125,798	-	125,798
Fundraising expenses	29,828	-	29,828	34,951	-	34,951
Total expenses	650,059	-	650,059	540,591	-	540,591
<u>CHANGE IN NET ASSETS</u>	90,564	-	90,564	34,576	-	34,576
<u>NET ASSETS, BEGINNING OF THE YEAR</u>	189,863	-	189,863	155,287	-	155,287
<u>NET ASSETS, END OF THE YEAR</u>	\$ 280,427	\$ -	\$ 280,427	\$ 189,863	\$ -	\$ 189,863

The accompanying notes are an integral part of these financial statements.

JEFFERSON CHILDREN'S ADVOCACY CENTER
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023				2022			
	Program	Management and General	Fundraising	Total	Program	Management and General	Fundraising	Total
Salaries and benefits	\$ 250,498	\$ 91,032	\$ -	\$ 341,530	\$ 199,623	\$ 91,456	\$ -	\$ 291,079
Professional fees	-	7,010	-	7,010	-	7,449	-	7,449
Agency supplies	4,027	1,726	-	5,753	10,202	4,373	-	14,575
Bank charges	-	367	-	367	-	45	-	45
Children's needs - general	112	-	-	112	-	-	-	-
Counseling program	86,970	-	-	86,970	39,413	-	-	39,413
Computer supplies	-	-	-	-	830	356	-	1,186
Computer software	15,729	6,739	-	22,468	4,698	2,013	-	6,711
Depreciation	8,439	3,617	-	12,056	3,260	1,397	-	4,657
Dues	-	145	-	145	-	3,465	-	3,465
Equipment repairs	5,251	2,250	-	7,501	266	114	-	380
Forensic interview program	31,434	-	-	31,434	34,758	-	-	34,758
Fundraising expenses	-	-	29,828	29,828	-	-	34,951	34,951
Insurance	5,614	3,831	-	9,445	-	3,783	-	3,783
MDT supplies	370	-	-	370	148	-	-	148
Miscellaneous expenses	7,776	3,333	-	11,109	7,880	3,377	-	11,257
Occupancy	42,298	22,091	-	64,389	13,635	7,121	-	20,756
Prevention and education program	900	-	-	900	4,444	-	-	4,444
Printing and copier costs	2,191	940	-	3,131	1,791	768	-	2,559
Public relations	364	-	-	364	530	-	-	530
Training	344	-	-	344	1,312	-	-	1,312
Travel	1,521	648	-	2,169	190	81	-	271
Victims Advocacy Program								
Salaries and benefits (match)	10,439	-	-	10,439	23,295	-	-	23,295
Youth Trafficking Coordinator								
Professional fees	2,225	-	-	2,225	33,567	-	-	33,567
	<u>\$ 476,502</u>	<u>\$ 143,729</u>	<u>\$ 29,828</u>	<u>\$ 650,059</u>	<u>\$ 379,842</u>	<u>\$ 125,798</u>	<u>\$ 34,951</u>	<u>\$ 540,591</u>

The accompanying notes are an integral part of these financial statements.

JEFFERSON CHILDREN'S ADVOCACY CENTER
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 90,564	\$ 34,576
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	12,056	4,657
Loss of disposal	2,449	-
Changes in operating assets and liabilities:		
Grants receivable	(21,568)	5,305
Insurance receivable	(1,153)	(1,847)
Prepaid expenses	346	15,904
Accounts payable	252	5,746
Net cash provided by operating activities	82,946	64,341
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of building improvements and equipment	(238,959)	(1,052)
Net cash used in investing activities	(238,959)	(1,052)
Net change in cash and cash equivalents	(156,013)	63,289
Cash and cash equivalents, beginning of year	179,715	116,426
Cash and cash equivalents, end of year	\$ 23,702	\$ 179,715
<u>SUPPLEMENTAL CASH FLOW DISCLOSURE</u>		
Building improvements and equipment in accounts payable	\$ 34,979	\$ -

The accompanying notes are an integral part of these financial statements.

JEFFERSON CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Summary of Significant Accounting Policies

Organization

Established in 1991 as Louisiana's first Children's Advocacy Center (CAC), the Jefferson CAC is a nationally accredited, non-profit organization dedicated to providing comprehensive, compassionate services to child abuse survivors and breaking the cycle of abuse. The Center's mission is to assist in the investigation, treatment and prevention of child victimization by utilizing a Multidisciplinary Team (MDT) approach that includes Law Enforcement, Prosecutors, Social Services, Mental Health and Medical Professionals.

All of the Center's services are provided free of charge and include legally defensible and developmentally sensitive, digitally recorded forensic interviews of children that have reported sexual abuse, physical abuse, neglect or exposure to violence; evidence-based, trauma-focused mental health services; forensic medical exam referrals and accompaniment; case management and advocacy; MDT case reviews and trainings; court testimony and community based child sexual abuse prevention education.

Basis of Presentation

The accompanying financial statements of the Center have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and accordingly reflect all significant receivables, payables, and other liabilities. Under this method, revenues are recognized when earned, and expenses are recorded when incurred. Contributions are recognized when received or when unconditionally promised.

Financial Statement Presentation

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

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions net assets for an operating reserve or board-designated endowment.

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor) 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 was restricted has been fulfilled, or both. At December 31, 2023 and 2022, the Center held net assets with donor restrictions in the amount of \$0 and \$0, respectively.

JEFFERSON CHILDREN’S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

The Center’s cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase. Included in cash and cash equivalents is certificates of deposit of \$0 and \$16,800 at December 31, 2023 and 2022, respectively.

Allowance for Credit Losses

An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Grants receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. At December 31, 2023 and 2022, the allowance for credit losses amounts were zero.

Building Improvements and Equipment

The Center 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 following estimated useful lives:

Furniture and fixtures	7 years
Office equipment	3-7 years
Security system	7 years
Building improvements	39 years
Computers	5 years

Donations of furniture and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated assets to a specific purpose, time, or event. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. The cost of maintenance and repairs is expensed as incurred. Significant renewals and improvements are capitalized.

Contributions and Grants

Contributions and grants represent cash donations to the Center from foundations, organizations and individuals and are recognized as support when received or unconditionally pledged. Contributions and grants 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. Contributions that are restricted by the donor are reported as unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the specific nature of the 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.

JEFFERSON CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Summary of Significant Accounting Policies (continued)

Donated Use of Space, Services, Materials and Equipment

Donated use of space and services are reflected as contributions at their estimated value and are recorded as expense when determinable. Donated salaries and related fringe benefits, materials and equipment are reflected as contributions at their estimated values as of the date of receipt and are recorded as expense when they are used or consumed. Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities based on time and effort of those activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs, such as salaries, benefits, contracted services, and professional fees have been allocated among the programs and supporting services benefited. Occupancy is allocated based on square footage used for supporting and program services. After allocating all direct program and administrative expenses, percentages are determined to allocate the remaining indirect costs.

Income Tax Status

The Center is exempt from income tax under IRC section 501 (c)(3), though it is subject to tax on income unrelated to its tax-exempt purpose, unless that income is otherwise excluded by the Code. The Center has processes presently in place to ensure the maintenance of its tax-exempt status: to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Center is not classified as a private foundation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that could affect reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results and the results of future periods could differ from those estimates, and those differences may be material.

JEFFERSON CHILDREN’S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Summary of Significant Accounting Policies (continued)

Accounting Pronouncements – Adopted

In June 2016, the Financial Accounting Standards Board (FASB) issued guidance in Accounting Standards Codification 326 (FASB ASC 326) which significantly changed how entities will measure credit losses. Prior to the adoption of ASC 326, the Center's allowance was based upon an analysis of past credit history, as well as the consideration of expected trends based upon characteristics of the accounts and general economic conditions. Under the application of ASC 326, the Center’s historical credit loss experience provides the basis for the estimation of expected credit losses. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity’s exposure to credit risk and the measurement of credit losses. The Center adopted the standard effective January 1, 2023. The adoption of this standard had no material impact on the financial statements of the Center.

2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 23,702	\$ 179,715
Grants receivable	51,432	29,864
Insurance receivable	3,000	1,847
Total financial assets	<u>78,134</u>	<u>211,426</u>
Less; amounts not available to be used within one year:		
Funds restricted by donors for grant purposes	<u>-</u>	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months.	<u>\$ 78,134</u>	<u>\$ 211,426</u>

As part of the Center’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Center invests cash in excess of daily requirements in short-term investments (when available). The Center has no line of credit on which to draw in case of unanticipated liquidity needs; therefore, short-term cash flows are carefully monitored.

JEFFERSON CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

3. Grants Receivable

At December 31, 2023 and 2022, grants receivable consists of the following amounts.

<u>Program / Source Title</u>	<u>2023</u>	<u>2022</u>
LACAC	\$ 29,742	\$ -
Jefferson Parish	13,430	-
City of Gretna	7,996	24,561
City of Kenner	264	-
Office for Victims of Crime	-	5,303
	<u> </u>	<u> </u>
Total grants receivable	<u>\$ 51,432</u>	<u>\$ 29,864</u>

4. Building Improvements and Equipment

Building improvements and equipment is summarized as follows at December 31:

	<u>2023</u>	<u>2022</u>
Building improvements	\$ 144,019	\$ -
Office equipment	77,375	19,610
Furniture and fixtures	54,787	18,667
Video equipment	26,130	-
Security system	-	1,390
Leasehold improvements	-	10,567
	<u>302,311</u>	<u>50,234</u>
Less: accumulated depreciation	<u>(32,856)</u>	<u>(40,212)</u>
	<u>\$ 269,455</u>	<u>\$ 10,022</u>

JEFFERSON CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. Net Assets with Restrictions

At December 31, 2023 and 2022, the Center reports \$0 net assets with donor restrictions. During the years ended December 31, 2023, and 2022, the Center received restricted grant revenue. A listing of the amounts received and released/spent as follows:

<u>Program / Source Title</u>	<u>2023</u>	<u>2022</u>
State of Louisiana Legislative Funding	\$ 161,689	\$ 103,451
City of Gretna - VOCA Grant	22,791	6,825
LCAC - SSF Supplemental	7,677	-
Kenner Police Department Interpreter Grant	3,152	-
City of Kenner VOCA Grant	2,164	3,579
LACAC - OVC YTC Grant	-	25,705
VIDANYX - System Grant	-	1,535
Total restricted revenue	<u>\$ 197,473</u>	<u>\$ 141,095</u>

6. Donated Employees, Goods, and Facilities

For the years ended December 31, 2023 and 2022, donated employees, goods and facilities are included as follows in the accompanying financial statements:

<u>Year ended December 31, 2023</u>	<u>Amount Provided</u>	<u>Less: Matching Funds Paid</u>	<u>Amount Recorded</u>
Donated salaries and benefits			
District Attorney	\$ 161,856	\$ (11,550)	\$ 150,306
City of Gretna	188,930	(6,839)	182,091
VOCA/KPD	31,285	(22,152)	9,133
	<u>\$ 382,071</u>	<u>\$ (40,541)</u>	<u>\$ 341,530</u>
 Donated facilities			
Jefferson Parish / District Attorney	\$ 40,000	-	\$ 40,000
	<u>\$ 422,071</u>	<u>\$ (40,541)</u>	<u>\$ 381,530</u>
 Expenses			
Salaries and Benefits	\$ 382,071	\$ (40,541)	\$ 341,530
Facilities (Occupancy)	40,000	-	40,000
	<u>\$ 422,071</u>	<u>\$ (40,541)</u>	<u>\$ 381,530</u>

JEFFERSON CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

6. Donated Employees, Goods, and Facilities(Continued)

<u>Year ended December 31, 2022</u>	<u>Amount Provided</u>	<u>Less: Matching Funds Paid</u>	<u>Amount Recorded</u>
Donated salaries and benefits			
District Attorney	\$ 159,527	\$ (19,279)	\$ 140,248
City of Gretna	173,953	(23,122)	150,831
	<u>\$ 333,480</u>	<u>\$ (42,401)</u>	<u>\$ 291,079</u>
 Donated facilities			
Jefferson Parish / District Attorney	\$ 15,000	\$ -	\$ 15,000
	<u>\$ 348,480</u>	<u>\$ (42,401)</u>	<u>\$ 306,079</u>
 Expenses			
Salaries and Benefits	\$ 333,480	\$ (42,401)	\$ 291,079
Facilities (Occupancy)	15,000	-	15,000
	<u>\$ 348,480</u>	<u>\$ (42,401)</u>	<u>\$ 306,079</u>

7. Concentrations of Credit Risk

The Center has concentrated its credit risk for cash by maintaining deposits in financial institutions in New Orleans, Louisiana, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). As of December 31, 2023, and 2022, the Center's cash and cash equivalent balances are not in excess of FDIC insurance limits.

8. Agreement with Jefferson Parish

On October 26, 2022, the Jefferson Parish Council (the Parish) approved a resolution authorizing a Cooperative Endeavor Agreement between Jefferson Parish and the Center to allow for the use and occupancy of a property in Gretna. In 2023, the Center, working with the Parish began making building improvements and purchasing new furniture and equipment. The furniture and equipment expenses in 2023 were substantially funded from grant funds. Included in in-kind contribution revenue is \$40,000 related to use of the new building space during the year ended December 31, 2023.

9. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 25, 2024, and determined no items that require additional disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

JEFFERSON CHILDREN'S ADVOCACY CENTER
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2023

Agency Head Name: Erika Dupepe, Executive Director

Salary	\$	-
Benefits - Healthcare		-
Benefits - Retirement		-
Cell Phone		-
Mileage		483
Reimbursements		429
Travel		387
Other		<u>1,500</u>
Total	\$	<u><u>2,799</u></u>

The Executive Director function is performed by an employee of the Jefferson Parish District Attorney. The Jefferson Children's Advocacy Center does not have any employees.

See accompanying independent auditor's report

OTHER REPORT



**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 of
Jefferson Children’s Advocacy Center
Jefferson, 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 the Jefferson Children’s Advocacy Center (the Center), a nonprofit entity, as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the Center’s basic financial statements, and have issued our report thereon dated June 25, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Center’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 and therefore material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-01 that we consider to be a significant deficiency.

Compliance and Other Matters

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

The Center's Response to Findings

The Center's responses to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Center's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

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

Richard CPAS

Metairie, Louisiana
June 25, 2024

JEFFERSON CHILDREN’S ADVOCACY CENTER

SUMMARY OF SCHEDULE OF FINDINGS AND RESPONSES

FOR THE YEAR ENDED DECEMBER 31, 2023

1. Summary of Independent Auditor’s Results

Financial Statements

- | | |
|--|-----------------------------|
| (a) The type of report issued on the basic financial statements: | <u>Unmodified</u> |
| (b) Internal control over financial reporting: | |
| Material weakness(es) identified: | <u>None reported</u> |
| Significant deficiency(ies) identified: | <u>Yes</u> |
| (c) Noncompliance which is material to the basic financial statements: | <u>None reported</u> |

2. Findings relating to the basic financial statements reported in accordance with Government Auditing Standards

2023-01 Amounts for Donated Services and Facilities not Recorded in a Timely Manner

Condition: The Center receives donated services and facilities from various entities throughout the year. The Center does not currently capture the information on donated services and facilities until year end.

Criteria: U.S. generally accepted accounting principles require that these amounts be captured and recorded on the books of the Center (typically as revenue source offset by an expense).

Cause: The services donated are in the form of salaries and benefits coming from local government agencies (the City of Gretna and the Jefferson Parish District Attorney). There is no procedure in place for those agencies to gather and report the salaries and benefits of employees assigned to the Center on a monthly or quarterly basis.

Effect: The amounts donated are not being recorded in a timely manner.

Recommendation: The Center should approach these agencies to determine whether they could provide salary and benefit data on at least a quarterly basis. As an alternative, the Center should consider recording an estimate on at least a quarterly basis.

Response: The Center’s Executive Director has contacted the agencies concerned to obtain this information on a quarterly basis.

JEFFERSON CHILDREN'S ADVOCACY CENTER

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

FOR THE YEAR ENDED DECEMBER 31, 2022

3. **Prior Year Findings relating to the basic financial statements reported in accordance with Government Auditing Standards**

2022-01 Amounts for Donated Services and Facilities not Recorded in a Timely Manner

Recommendation: The Center should approach these agencies to determine whether they could provide salary and benefit data on at least a quarterly basis. As an alternative, the Center should consider recording an estimate on at least a quarterly basis.

Response: The Center's Executive Director has contacted the agencies concerned to obtain this information on a quarterly basis.

Current Status: Not Resolved. See 2023-01.

2022-02 Internal Control over Financial Reporting

Recommendation: The Center should review internal control procedures over financial reporting to ensure that adjustments are identified and recorded as part of the month end, quarter end, and year end reporting process.

Response: The Center has implemented procedures during 2023 in response to this item.

Current Status: Resolved.

2021-01 Amounts for Donated Services and Facilities Not Recorded in a Timely Manner

Recommendation: The Center should approach these agencies to determine whether they could provide salary and benefit data on at least a quarterly basis. This would allow the Center to record the donated services in a timelier manner.

Response: The Center's Executive Director will contact the agencies concerned to determine whether this is possible.

Current Status: Not Resolved. See 2023-01.

JEFFERSON CHILDREN’S ADVOCACY CENTER
LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE
AGREED-UPON PROCEDURES REPORT
DECEMBER 31, 2023



JEFFERSON CHILDREN'S ADVOCACY CENTER

**LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE
AGREED-UPON PROCEDURES REPORT**

DECEMBER 31, 2023

JEFFERSON CHILDREN'S ADVOCACY CENTER

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Governing Board of Jefferson Children's Advocacy Center 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 period January 1, 2023, through December 31, 2023. Jefferson Children's Advocacy Center's management is responsible for those C/C areas identified in the SAUPs.

Jefferson Children's Advocacy Center (the Center) 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 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 we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by Jefferson Children's Advocacy Center 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 Jefferson Children's Advocacy Center 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.

Richard CPAS

Metairie, Louisiana
June 25, 2024

JEFFERSON CHILDREN’S ADVOCACY CENTER

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2023

PROCEDURES (SCHEDULE A)

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read “*no exception noted*” or for step 25 “*we performed the procedure and discussed the results with management*”. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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:

i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Exception noted. The Center did not provide a policy and procedures related to budgeting.

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.

Exception noted. The Center did not provide a policy and procedures related to purchasing.

iii. ***Disbursements***, including processing, reviewing, and approving.

No exceptions were found as a result of this procedure.

iv. ***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 were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

- 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.

The above procedure is not applicable, as the Center does not have any employees.

- 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.

Exception noted. The Center did not provide a policy and procedures related to contracting.

- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Exception noted. The Center did not provide a policy and procedures related to travel and expense reimbursements.

- 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).

No exceptions were found as a result of this procedure.

- ix. ***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.

The above procedure is not applicable, as the Center is a nonprofit organization.

- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The above procedure is not applicable, as the Center does not have any debt.

- 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.

Exception noted. The Center's information technology disaster recovery/business continuity policy did not address the above categories.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

- 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.

The above procedure is not applicable, as the Center is a nonprofit organization.

2) Board or Finance Committee

- 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

- 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.

No exceptions were found as a result of this procedure.

- 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, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the not-for-profit 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.*

The above procedure is not applicable, as the Center is a nonprofit organization.

- 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.

The above procedure is not applicable, as the Center is a nonprofit organization.

- 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.

No exceptions were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

3) Bank Reconciliations

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 (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);

No exceptions were found as a result of this procedure.

- 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 (e.g., initialed and dated, electronically logged); and

No exceptions were found as a result of this procedure.

- 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.

Exception noted. The Center did not have any documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

4) Collections (excluding electronic funds transfers)

A. 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 were found as a result of this procedure.

B. 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 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;

No exceptions were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

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- 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;

No exceptions were found as a result of this procedure.

- 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

No exceptions were found as a result of this procedure.

- 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 responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions were found as a result of this procedure.

- C. 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 in force during the fiscal period.

The above procedure is not applicable, as the Center does not have any employees.

- 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). *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:

- i. Observe that receipts are sequentially pre-numbered.

Exception noted. The Center did not provide sequentially pre-numbered receipts.

- ii. Trace sequentially system reports, and other related collection documentation to the deposit slip.

Exception noted. The Center did not provide sequentially system reports or other related collection documentation.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

- iv. 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).

Exception noted. The Center did not provide supporting documentation to determine if the deposits were made within one business day of receipt.

- v. Trace the actual deposit per the bank statement to the general ledger.

No exceptions were found as a result of this procedure.

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

- 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).

No exceptions were found as a result of this procedure.

- 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;

The above procedure is not applicable, as the Center does not utilize purchase requests.

- ii. At least two employees are involved in processing and approving payments to vendors;

No exceptions were found as a result of this procedure.

- 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;

No exceptions were found as a result of this procedure.

- 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

No exceptions were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

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- 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.

Exception noted. The Center did not provide evidence for approval of electronic disbursements.

- 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 deliverables included on the invoice were received by the entity, and

No exceptions were found as a result of this procedure.

- 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.

No exceptions were found as a result of this procedure.

- 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.

Exception noted. The Center did not provide evidence for approval of electronic disbursements.

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

- 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 person who maintained possession of the cards. Obtain management's representation that the listing is complete.

No exceptions were found as a result of this procedure.

- 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),

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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

No exceptions were found as a result of this procedure.

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

Exception noted. Finance charges and late fees totaling \$39 were assessed on the May 2023 credit card statement tested.

- C. Using the monthly statements or combined statements selected under #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). 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions were found as a result of this procedure.

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- 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 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);

No exceptions were found as a result of this procedure.

- ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

No exceptions were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

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- iii. 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 Policies and Procedures procedure #1A(vii); and

No exceptions were found as a result of this procedure.

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

No exceptions were found as a result of this procedure.

8) *Contracts*

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

- i. 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;

No exceptions were found as a result of this procedure.

- 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);

No exceptions were found as a result of this procedure.

- iii. 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, the documented approval); and

No exceptions were found as a result of this procedure.

- 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 the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of this procedure.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

9) Payroll and Personnel

- A. 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.

The above procedure is not applicable, as the Center does not have any employees.

- 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 all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

The above procedure is not applicable, as the Center does not have any employees.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

The above procedure is not applicable, as the Center does not have any employees.

- iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

The above procedure is not applicable, as the Center does not have any employees.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

The above procedure is not applicable, as the Center does not have any employees.

- 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.

The above procedure is not applicable, as the Center does not have any employees.

JEFFERSON CHILDREN'S ADVOCACY CENTER

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FOR THE YEAR ENDED DECEMBER 31, 2023

- 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.

The above procedure is not applicable, as the Center does not have any employees.

10) Ethics

- 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

The above procedure is not applicable, as the Center is a nonprofit organization.

- ii. 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.

The above procedure is not applicable, as the Center is a nonprofit organization.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

The above procedure is not applicable, as the Center is a nonprofit organization.

11) Debt Service

- 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.

The above procedure is not applicable, as the Center does not have any debt.

- 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).

The above procedure is not applicable, as the Center does not have any debt.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

12) Fraud Notice

- 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 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.

No exceptions were found as a result of this procedure.

- 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.

Exception noted. The Center did not have the fraud notice required by R.S. 24:523.1 on its website.

13) Information Technology Disaster Recovery/Business Continuity

- 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 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.

We performed the procedure and discussed the results with management.

- 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.

We performed the procedure and discussed the results with management.

- 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.

We performed the procedure and discussed the results with management.

- 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.

We performed the procedure and discussed the results with management.

JEFFERSON CHILDREN'S ADVOCACY CENTER

AGREED-UPON PROCEDURES AND OBSERVATIONS AND RESULTS

FOR THE YEAR ENDED DECEMBER 31, 2023

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, 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 as required by R.S. 42:343.

The above procedure is not applicable, as the Center is a nonprofit organization.

- B. 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).

The above procedure is not applicable, as the Center is a nonprofit organization.

- 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:

The above procedure is not applicable, as the Center is a nonprofit organization.

- i. Number and percentage of public servants in the agency who have completed the training requirements;

The above procedure is not applicable, as the Center is a nonprofit organization.

- ii. Number of sexual harassment complaints received by the agency;

The above procedure is not applicable, as the Center is a nonprofit organization.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

The above procedure is not applicable, as the Center is a nonprofit organization..

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

The above procedure is not applicable, as the Center is a nonprofit organization.

- v. Amount of time it took to resolve each complaint.

The above procedure is not applicable, as the Center is a nonprofit organization.



June 25, 2024

RICHARD CPAS
3421 N. Causeway Blvd. Suite 403
Metairie, LA 70002

Subject: Management's Response

The following are the Jefferson Children's Advocacy Center's (the JCAC) responses to the findings observed in the Statewide Agreed-Upon Procedures Report for the year ended December 31, 2023.

1. Written Policies and Procedures: The JCAC concurs with the observation and will adopt additional language to the policies prior to December 31, 2024.
3. Bank Reconciliations: The JCAC concurs with the observation and will implement procedures to document the research on reconciling items outstanding for more than 12 months.
4. Collections: The JCAC concurs with the finding and will implement procedures to document the deposits.
5. Non-Payroll Disbursements: The JCAC concurs with the observation and will implement procedures on the authorized check signers for electronic disbursements.
6. Credit Cards/Debit Cards/Fuel Cards/P-Cards: The JCAC concurs with the observation and will implement procedures on the finance charges and fees.
12. Fraud Notice: The JCAC concurs with the observation and has posted the fraud notice required by *R.S. 24:523.1* on its website.

Please let us know if you need additional information.

Respectfully,

Wayne Zimmerman

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Vice-President

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