Donovan CPAs

April 25, 2025

To the Board of Directors
Marion County Commission On Youth, Inc.
Indianapolis, Indiana

We have audited the financial statements of Marion County Commission On Youth, Inc. (MCCOY) for the year ended December 31, 2024, and have issued our report thereon dated April 25, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 15, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by MCCOY are described in Notes 1 and 2 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during the year ended December 31, 2024. We noted no transactions entered into by MCCOY during the year for which there is a lack of authoritative guidance or consensus. All significant transactions were recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

We made four adjustments during the audit process that changed total assets by $75,055, total liabilities by $77,004, total equity by $0, and changes in net assets by $1,949.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

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Management Representations
We have requested certain representations from management that are included in the management representation letter dated April 25, 2025.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to MCCOY's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to retention as MCCOY's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We identified certain operation improvements as noted below:

- <u>Disbursements and Support</u> - During the audit process, we selected 25 disbursements and requested supporting documents (i.e. purchase request, invoice or other supporting documents and check images). 10 items were missing an invoice or other supporting documents.

  We suggest that MCCOY:
  1) Require invoices or other supporting documents be provided prior to payment.
  2) Consider better tracking and approval software (such as bill.com) or other methods for retention of supporting documents and approval.

This information is intended solely for the use of the Board of Directors and management of MCCOY and is not intended to be and should not be used by anyone other than these specified parties.

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