

Financial Statements

TULSA LAWYERS FOR CHILDREN, INC.

December 31, 2021 and 2020

TULSA LAWYERS FOR CHILDREN, INC.

INDEPENDENT AUDITOR'S REPORT

and

FINANCIAL STATEMENTS

December 31, 2021 and 2020

TULSA LAWYERS FOR CHILDREN, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tulsa Lawyers for Children, Inc.
Tulsa, Oklahoma

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Tulsa Lawyers for Children, Inc. (an Oklahoma not-for-profit corporation), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, cash flows, and schedule of functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Tulsa Lawyers for Children, Inc. as of December 31, 2021 and 2020, and the changes in 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Tulsa Lawyers for Children, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Tulsa Lawyers for Children, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

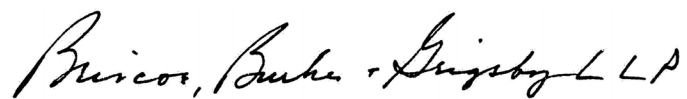
Auditor's Responsibilities for the Audit of the Financial Statements

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 GAAS 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 GAAS, 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 Tulsa Lawyers for Children, 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 Tulsa Lawyers for Children, 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.



Certified Public Accountants

October 21, 2022
Tulsa, Oklahoma

TULSA LAWYERS FOR CHILDREN, INC.

Statements of Financial Position

December 31, 2021 and 2020

ASSETS	2021	2020
Current Assets:		
Cash	\$ 273,102	\$ 190,506
Contributions receivable (Note 3)	28,047	25,000
Prepaid expenses	4,742	4,071
Total current assets	305,891	219,577
Other Assets:		
Funds held by third party (Note 9)	42,523	40,543
Total other assets	42,523	40,543
TOTAL ASSETS	\$ 348,414	\$ 260,120
LIABILITIES and NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 6,453	\$ -
Total liabilities	6,453	-
Net Assets:		
Without donor restrictions	288,961	185,120
With donor restrictions (Note 5)	53,000	75,000
Total net assets	341,961	260,120
TOTAL LIABILITIES and NET ASSETS	\$ 348,414	\$ 260,120

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

TULSA LAWYERS FOR CHILDREN, INC.

Statements of Activities and Changes in Net Assets

For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total All Funds 2021
Revenue:			
Grants and contributions	\$ 322,112	\$ 56,000	\$ 378,112
Contributions in-kind	100,403	-	100,403
Other income	2,573	-	2,573
PPP loan proceeds	42,870	-	42,870
Net assets released from restrictions	78,000	(78,000)	-
Total revenue	545,958	(22,000)	523,958
Expenses:			
Program services	358,294	-	358,294
Management and general	73,890	-	73,890
Fundraising	9,933	-	9,933
Total expenses	442,117	-	442,117
Change in net assets	103,841	(22,000)	81,841
Net assets - beginning of year	185,120	75,000	260,120
Net assets - end of year	\$ 288,961	\$ 53,000	\$ 341,961

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

TULSA LAWYERS FOR CHILDREN, INC.

Statements of Activities and Changes in Net Assets

For the Year Ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total All Funds 2020</u>
Revenue:			
Grants and contributions	\$ 296,258	\$ 50,000	\$ 346,258
Contributions in-kind	89,990	-	89,990
Other income	4,753	-	4,753
PPP loan proceeds	20,000	-	20,000
Net assets released from restrictions	<u>65,318</u>	<u>(65,318)</u>	<u>-</u>
Total revenue	<u>476,319</u>	<u>(15,318)</u>	<u>461,001</u>
Expenses:			
Program services	247,181	-	247,181
Management and general	140,413	-	140,413
Fundraising	<u>16,470</u>	<u>-</u>	<u>16,470</u>
Total expenses	<u>404,064</u>	<u>-</u>	<u>404,064</u>
Change in net assets	72,255	(15,318)	56,937
Net assets - beginning of year	<u>112,865</u>	<u>90,318</u>	<u>203,183</u>
Net assets - end of year	<u>\$ 185,120</u>	<u>\$ 75,000</u>	<u>\$ 260,120</u>

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

TULSA LAWYERS FOR CHILDREN, INC.

Statements of Cash Flows

For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Change in net assets	\$ 81,841	\$ 56,937
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Items not providing cash:		
Unrealized gain on funds held by third party	(1,980)	(3,804)
PPP loan forgiveness	(42,870)	(20,000)
Changes in:		
Contributions receivable	(3,047)	76,000
Prepaid expenses	(671)	2,324
Accounts payable and accrued expenses	<u>6,453</u>	<u>-</u>
Net cash from operating activities	<u>39,726</u>	<u>111,457</u>
Cash flows from financing activities:		
PPP loan proceeds	<u>42,870</u>	<u>20,000</u>
Net cash from financing activities	<u>42,870</u>	<u>20,000</u>
Net change in cash	82,596	131,457
Cash at beginning of year	<u>190,506</u>	<u>59,049</u>
Cash at end of year	<u>\$ 273,102</u>	<u>\$ 190,506</u>
Supplemental cash flows data:		
In kind contributions of salaries and wages	<u>\$ 100,403</u>	<u>\$ 89,990</u>

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

TULSA LAWYERS FOR CHILDREN, INC.

Schedule of Functional Expenses

December 31, 2021 and 2020

	2021			
	Program Services	Management and General	Fundraising	Total
Salaries and wages in kind	\$ 97,428	\$ 2,975	\$ -	\$ 100,403
Salaries and wages	185,339	41,447	4,454	231,240
Insurance	23,554	10,733	584	34,871
Professional fees	4,292	11,752	1,696	17,740
Rent	15,480	2,570	269	18,319
Travel	9,360	-	-	9,360
Telephone/website	3,911	1,268	106	5,285
Training materials	2,960	-	-	2,960
Dues and subscriptions	2,121	-	-	2,121
Information technology	1,823	591	49	2,463
Supplies	7,319	2,374	198	9,891
Postage and shipping	555	180	15	750
Fundraising & event planning	-	-	2,562	2,562
Miscellaneous	4,152	-	-	4,152
Total functional expenses	\$ 358,294	\$ 73,890	\$ 9,933	\$ 442,117

	2020			
	Program Services	Management and General	Fundraising	Total
Salaries and wages in kind	\$ 84,640	\$ 5,350	\$ -	\$ 89,990
Salaries and wages	118,135	91,681	10,193	220,009
Insurance	17,862	13,862	1,541	33,265
Professional fees	8,011	6,116	-	14,127
Rent	-	17,653	-	17,653
Travel	8,113	-	-	8,113
Telephone/website	2,011	1,561	174	3,746
Training materials	472	-	-	472
Dues and subscriptions	745	-	-	745
Information technology	1,887	1,464	163	3,514
Supplies	3,357	2,605	290	6,252
Postage and shipping	156	121	13	290
Fundraising & event planning	-	-	4,096	4,096
Miscellaneous	1,792	-	-	1,792
Total functional expenses	\$ 247,181	\$ 140,413	\$ 16,470	\$ 404,064

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

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Tulsa Lawyers for Children, Inc. (“the Organization”) is an Oklahoma not-for-profit corporation formed to ensure effective legal representation of abused and neglected children in Tulsa County by recruiting, training, and assisting volunteer attorneys. The children represented by these volunteer attorneys are in the custody of the Oklahoma Department of Human Services. The Organization’s core program goals are to accept court appointments to represent children in conflict of interest cases and to assure that volunteer attorneys representing children have the professional skill and competence required to practice in such cases.

Basis of Accounting

The Organization’s financial statements have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities.

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 affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Functional Expenses

Expenses have been classified by specific functions where ascertainable. Those expenses which cannot be specifically identified by function type have been allocated to functions based upon management’s best estimate of usage.

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Organization is exempt from Federal income tax under Internal Revenue Code Section 501(c)(3). As such, the Organization is not required to pay Federal income taxes. The Organization is required to file annual information tax returns.

Generally accepted accounting principles require tax effects from an uncertain tax position to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. The Organization's primary tax positions relate to its status as a not-for-profit entity exempt from income taxes and classification of activities related to its exempt purpose. As of December 31, 2021, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Net Assets

The net assets of the Organization are classified and reported as follows:

- Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.
- Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Concentrations of Credit Risk

The Organization maintains deposits in a financial institution that at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 – Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 – Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets.
- Quoted prices for identical or similar assets in non-active markets.
- Inputs other than quoted prices that are observable for the asset/liability.
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 – Revenue from Contracts with Customers (Topic 606), as amended as management believes the standard improves the usefulness and understandability of the Organization's financial reporting.

Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

2. CONTRIBUTED SERVICES

Contributed services are recognized as contributions if the services, (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. For the years ended December 31, 2021 and 2020, contributed services that met the above criteria were recorded as contributions in the amount of \$100,403 and \$89,990, respectively. The contributed services were legal representation provided by volunteer attorneys to children in the custody of the Department of Human Services and bookkeeping services provided by a volunteer CPA.

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable are summarized as follows as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Chapman Charitable Foundation	\$ -	\$ 25,000
Commonwealth Foundation	10,000	-
Flint Family Foundation	10,000	-
Gable Gotwals	5,000	-
Judith & Jean Pape Adams Foundation	1,000	-
Individual Donations	2,047	-
Total Contributions Receivable	<u>\$ 28,047</u>	<u>\$ 25,000</u>

4. ALLOCATION OF JOINT COSTS

The Organization incurred joint costs of \$320,561 and \$267,076 in 2021 and 2020, respectively, for program services and management and general expense that included a component of fundraising appeals. The expenses are allocated based on the client's time and effort spent on each function and are determined by management on an equitable basis. The joint costs were allocated as follows:

	<u>2021</u>	<u>2020</u>
Program services	\$ 242,274	\$ 143,408
Management and general	70,916	111,294
Fundraising	7,371	12,374
Total allocation of joint costs	<u>\$ 320,561</u>	<u>\$ 267,076</u>

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

5. NET ASSETS

Net assets with donor restrictions are available for the following purposes as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Restricted for future period	\$ 50,000	\$ 75,000
Restricted for safe space in office for children	<u>3,000</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 53,000</u>	<u>\$ 75,000</u>

Net assets without donor restrictions for the years ended December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Undesignated	\$ 246,438	\$ 144,577
Quasi endowment	<u>42,523</u>	<u>40,543</u>
Total net assets without donor restrictions	<u>\$ 288,961</u>	<u>\$ 185,120</u>

Net assets released from net assets with donor restrictions for the years ended December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Board games for children	\$ -	\$ 318
Future operations	75,000	65,000
Furniture and computer equipment	<u>3,000</u>	<u>-</u>
Total net assets released from net assets with donor restrictions	<u>\$ 78,000</u>	<u>\$ 65,318</u>

6. CONCENTRATION OF FUNDING SOURCES

For the years ended December 31, 2021 and 2020, eleven and nine grants provided in the amount of \$235,000 and \$210,000, approximately 45% and 46%, respectively, of the Organization's total support and revenue. For the years ended December 31, 2021 and 2020, the Organization received monthly grants from the Office for Victims of Crime through their Victims of Crime Act grant program for a total of \$101,149 and \$100,916, approximately 19% and 22%, respectively, of the Organization's total support and revenue.

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

7. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2021 and 2020:

Financial assets at year end:	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 273,102	\$ 190,506
Contributions receivable	28,047	25,000
Funds held by third party	<u>42,523</u>	<u>40,543</u>
Total financial assets	<u>343,672</u>	<u>256,049</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	53,000	75,000
Less net assets with purpose restrictions to be met in less than a year	(50,000)	(75,000)
Quasi endowment with Tulsa Community Foundation	<u>42,523</u>	<u>40,543</u>
	<u>45,523</u>	<u>40,543</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 298,149</u>	<u>\$ 215,506</u>

Management evaluates the liquidity of available resources throughout the year to ensure the Organization meets the cash needs for general expenditures for the following year.

8. OPERATING LEASE

In February 2016, the Organization signed a lease to rent office space through 2022. In June 2022, the Organization signed a lease to rent office space at a new location through 2027. Total rent expense recorded for the years ended December 31, 2021 and 2020, was \$18,320 and \$17,653, respectively. No additional contribution or expense has been recorded for the use of the office space and related utility costs. At December 31, 2021, the approximate minimum annual rentals under the operating lease agreement until expiration is as follows:

2022	\$19,790
2023	\$35,616
2024	\$35,616
2025	\$35,913
2026	\$36,625

TULSA LAWYERS FOR CHILDREN, INC.

Notes to Financial Statements

December 31, 2021 and 2020

9. FUNDS HELD IN TRUST BY OTHERS

During 2007, the Tulsa Community Foundation (the “Foundation”) established the Tulsa Lawyers for Children Fund (the “Fund”) with third-party contributions. The Organization may request grants from the Fund for specific projects or in the event of unusual circumstances of need or opportunity as deemed by its Board of Directors and the Foundation may grant such requests if it concludes that such distributions are neither unreasonable nor inconsistent with the charitable purposes of the Foundation and the Organizations. Funds held by the Tulsa Community Foundation for the years ended December 31, 2021 and 2020, was \$42,523 and \$40,543, respectively. This fund is considered a Level 1 investment.

10. PENSION PLAN

The Organization contributed to the Executive Director’s 401(k) retirement and contributed to the other paid staff members SIMPLE IRA plans through May 2020. After May 2020, the Organization contributes to the Executive Director’s and the other paid staff members SIMPLE IRA plans. The total 401(k) and SIMPLE IRA expense for 2021 and 2020 was \$5,509 and \$5,257, respectively.

11. PAYCHECK PROTECTION PROGRAM FUNDS

In April 2020 and January 2021, the Organization received loan proceeds in the amount of \$20,000 and \$42,870, respectively, under the Paycheck Protection Program (“PPP”). Established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business’s average monthly payroll expenses. PPP loans and accrued interest are forgivable after a “covered period” of 24 weeks if the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period.

The Organization received forgiveness of the PPP loans for the year then ended December 31, 2021 and 2020, and both amounts are recorded as without donor restrictions in their respective years on the Statements of Activities and Changes in Net Assets.

12. SUBSEQUENT EVENTS

In preparing these financial statements management has evaluated and disclosed all material subsequent events through October 21, 2022, which is the date these statements were available to be issued.

Briscoe, Burke & Grigsby LLP
CERTIFIED PUBLIC ACCOUNTANTS

October 21, 2022

To the Board of Directors
Tulsa Lawyers for Children, Inc.

We have audited the financial statements of Tulsa Lawyers for Children, Inc. as of and for the year ended December 31, 2021, and have issued our report thereon dated October 21, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 9, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Tulsa Lawyers for Children, Inc. solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the following risks:

- **Management override of internal controls** – There are risks that management can override the internal controls set in place by the Organization.
- **Revenue recognition** – There are risks that revenue will be overstated due to fraud or error due to lack of segregation of duties.
- **Cash disbursements** – There are risks that unauthorized transactions will be initiated and paid due to lack of segregation of duties.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Tulsa Lawyers for Children, Inc. is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on 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 markedly from management’s current judgments. We did not identify any sensitive estimates affecting the financial statements.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We did not identify any sensitive disclosures affecting the financial statements. The disclosures in the financial statements are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The attached schedule A summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

Attachment B summarizes the corrected material misstatements detected as a result of audit procedures that were corrected by management. The adjustments recorded were expected by management and do not constitute a deficiency in internal control.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified during our audit procedures.

Identified or Suspected Fraud

We have not identified or obtained information that indicates that fraud may have occurred.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Tulsa Lawyers for Children, Inc.'s financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated October 21, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

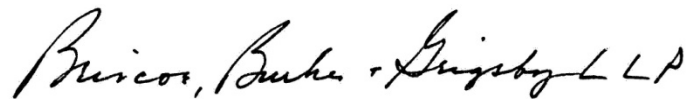
Tulsa Lawyers for Children, Inc.
October 21, 2022
Page 4

Other Significant Matters, Findings or Issues

In the normal course of our professional association with Tulsa Lawyers for Children, Inc., we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Tulsa Lawyers for Children, Inc.'s auditors.

This report is intended solely for the information and use of the Board of Directors and management of Tulsa Lawyers for Children, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

If you have any questions regarding the above, please do not hesitate to contact us at your convenience.

A handwritten signature in cursive script that reads "Briscoe, Burke & Grigsby LLP".

Certified Public Accountants

October 21, 2022
Tulsa, Oklahoma

Client: **60864 - Tulsa Lawyers for Children** **Attachment A**
 Engagement: **2021 Audit - Tulsa Lawyers for Children**
 Period Ending: **12/31/2021**
 Trial Balance: **103TB - Annual Trial Balance - 2 Year**
 Workpaper: **103 PJE - Proposed Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Proposed Journal Entries				
Proposed Journal Entries JE # 901		7203		
<To capitalize computer equipment that was above capitalization threshold but was fully expensed in the year then ended December 31, 2021.>				
1600	Fixed Assets - Equipment		1,964.22	
640400	Expenses:640000 -+ Office Expenses:640400 -+ Equipment			1,964.22
Total			1,964.22	1,964.22
Total Proposed Journal Entries				
			1,964.22	1,964.22

Client: **60864 - Tulsa Lawyers for Children** **Attachment B**
 Engagement: **2021 Audit - Tulsa Lawyers for Children**
 Period Ending: **12/31/2021**
 Trial Balance: **103TB - Annual Trial Balance - 2 Year**
 Workpaper: **103 AJE - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 101				
<To record restricted contributions to restricted net assets for the year then ended December 31, 2021.>		6102		
410100	Income:410000 -+ Contributions:410100 -+ Foundations		56,000.00	
320000	Temp. Restricted Net Assets			56,000.00
Total			56,000.00	56,000.00
Adjusting Journal Entries JE # 102				
<To record the release of restrictions from donor restricted net assets to net assets without donor restrictions for the year then ended December 31, 2021.>		6102		
320000	Temp. Restricted Net Assets		78,000.00	
410100	Income:410000 -+ Contributions:410100 -+ Foundations			78,000.00
Total			78,000.00	78,000.00
Adjusting Journal Entries JE # 103				
<To record in-kind contribution for attorney and CPA services donated to the Organization for the year then ended December 31, 2021.>		7102		
5105	In Kind Expenses - Legal Svcs		100,403.00	
4015	Contributions - In Kind Legal			100,403.00
Total			100,403.00	100,403.00
Adjusting Journal Entries JE # 104				
<To record unrecorded liabilities detected during audit procedures for the year then ended December 31, 2021.>		5100.50		
620200	Expenses:620000 -+ Information Technology:620200 -+ Technology Services		141.00	
630000	Expenses:630000 -+ Case Expenses		48.00	
630100	Expenses:630000 -+ Case Expenses:630100 -+ Mileage		711.00	
640100	Expenses:640000 -+ Office Expenses:640100 -+ Postage		290.00	
640200	Expenses:640000 -+ Office Expenses:640200 -+ Office Supplies		91.00	
640300	Expenses:640000 -+ Office Expenses:640300 -+ Meetings & Events		205.00	
640450	Expenses:640000 -+ Office Expenses:640450 -+ Equipment Maintenance		195.00	
640500	Expenses:640000 -+ Office Expenses:640500 -+ Telecommunications		418.00	
650200	Expenses:650000 -+ Professional Development:650200 -+ Training / Conferences		1,674.00	
660300	Expenses:660000 -+ Training:660300 -+ Volunteer Recruitment		118.00	
700000	Special Events		2,562.00	
2050	2050 Accounts Payable			6,453.00
Total			6,453.00	6,453.00