

**NEW ORLEANS WOMEN &
CHILDREN'S SHELTER, INC.**

Audits of Consolidated Financial Statements

December 31, 2021 and 2020



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Independent Auditor's Report

The Board of Directors
New Orleans Women & Children's Shelter, Inc.

Opinion

We have audited the consolidated financial statements of New Orleans Women & Children's Shelter, Inc. (the Organization), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2021 and 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Organization 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 the Organization'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 schedule of compensation, benefits, and other payments to agency head 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 May 4, 2022 on our consideration of the Organization's internal control over financial reporting and 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 Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
May 4, 2022

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Consolidated Statements of Financial Position
December 31, 2021 and 2020

	2021	2020
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 796,908	\$ 598,543
Development Fee Receivable	6,733	8,200
Grants Receivable	206,802	209,514
Prepaid Expenses	4,550	4,550
Total Current Assets	1,014,993	820,807
Property and Equipment, Net	6,156	7,695
Other Assets		
Deposits	6,000	6,875
Total Assets	\$ 1,027,149	\$ 835,377
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 11,522	\$ 20,977
Current Portion of Paycheck Protection Program Loan	-	82,071
Total Current Liabilities	11,522	103,048
Long-Term Liabilities		
Paycheck Protection Program Loan, Net of Current Portion	-	67,635
Total Liabilities	11,522	170,683
Net Assets		
Without Donor Restrictions	1,015,627	664,694
Total Net Assets	1,015,627	664,694
Total Liabilities and Net Assets	\$ 1,027,149	\$ 835,377

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Consolidated Statements of Activities
For the Years Ended December 31, 2021 and 2020

	2021	2020
Net Assets Without Donor Restrictions		
Revenues and Other Support		
Grants	\$ 706,424	\$ 572,765
Contributions	655,677	713,465
Special Events	94,022	79,531
Donated Materials	229,516	128,449
Development Fee	19,636	22,571
Interest Income	2,210	1,816
Total Revenues and Other Support	1,707,485	1,518,597
Expenses		
Program Services		
Wraparound Program	1,348,502	1,122,366
Supporting Services		
Management and General	171,250	126,035
Fundraising	86,506	54,120
Total Expenses	1,606,258	1,302,521
Other Income		
Forgiveness of Paycheck Protection Program Loan	149,706	-
Other Income	100,000	-
Total Other Income	249,706	-
Change in Net Assets Without Donor Restrictions	350,933	216,076
Net Assets, Beginning of Year	664,694	448,618
Net Assets, End of Year	\$ 1,015,627	\$ 664,694

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2021

	<u>Program Services</u>		<u>Supporting Services</u>		Total
	Wraparound Program	Management and General	Fundraising		
Salaries, Benefits, and Related Expenses	\$ 539,081	\$ 103,781	\$ 43,963	\$	\$ 686,825
Program Consumables	584,489	-	-		584,489
Rent and Utilities	155,971	10,459	3,506		169,936
Professional Fees	42,282	23,302	9,942		75,526
Supplies and Printing	2,784	18,138	14,795		35,717
Insurance	21,664	12,180	906		34,750
Special Events and Fundraising	-	-	13,098		13,098
Depreciation Expense	1,539	-	-		1,539
Other Expenses	692	3,390	296		4,378
Total	\$ 1,348,502	\$ 171,250	\$ 86,506	\$	\$ 1,606,258

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2020

	<u>Program Services</u>		<u>Supporting Services</u>		Total
	Wraparound Program	Management and General	Fundraising		
Salaries, Benefits, and Related Expenses	\$ 555,833	\$ 69,423	\$ 18,558	\$	643,814
Program Consumables	334,445	-	-		334,445
Rent and Utilities	157,684	11,630	3,238		172,552
Professional Fees	36,366	21,293	11,159		68,818
Insurance	30,873	11,562	1,110		43,545
Supplies and Printing	5,469	11,176	9,207		25,852
Special Events and Fundraising	-	-	10,781		10,781
Depreciation Expense	1,539	-	-		1,539
Other Expenses	157	951	67		1,175
Total	\$ 1,122,366	\$ 126,035	\$ 54,120	\$	1,302,521

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash Flows from Operating Activities		
Change in Net Assets	\$ 350,933	\$ 216,076
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	1,539	1,539
Forgiveness of Paycheck Protection Program Loan	(149,706)	-
Changes in Operating Assets and Liabilities		
Development Fee Receivable	1,467	(1,248)
Grants Receivable	2,712	(51,985)
Deposits	875	-
Accounts Payable and Accrued Expenses	(9,455)	9,703
Net Cash Provided by Operating Activities	198,365	174,085
Cash Flows from Financing Activities		
Payments on Line of Credit	-	(75,000)
Proceeds from Paycheck Protection Program Loan	-	149,706
Net Cash Provided by Financing Activities	-	74,706
Net Increase in Cash and Cash Equivalents	198,365	248,791
Cash and Cash Equivalents, Beginning of Year	598,543	349,752
Cash and Cash Equivalents, End of Year	\$ 796,908	\$ 598,543

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies

History and Organization

The New Orleans Women & Children's Shelter, Inc. (the Organization), which opened in August 2007 in the aftermath of Hurricane Katrina (then known as the New Orleans Women's Shelter), focuses on breaking the cycle of homelessness and keeping homeless families from returning to the streets. The Organization's Wraparound Program provides a continuum of safe shelter, personalized case management, and wraparound services to homeless families at no cost and addresses the unique needs of each family to equip them with the skills and resources they need to live stable, independent, and fulfilling lives.

The Organization is organized as a private, non-profit corporation, chartered in the State of Louisiana, and granted 501(c)(3) status by the Internal Revenue Service. It is governed by a 12-member independent volunteer Board of Directors.

Basis of Consolidation and Presentation

These financial statements have been consolidated to include all accounts of New Orleans Women & Children's Shelter, Inc. and its wholly-owned subsidiary, NOWS Iberville, L.L.C. All significant intercompany accounts and transactions have been eliminated. Investments in entities in which the Organization cannot exercise significant influence, but does own a majority equity interest, are accounted for using the equity method and are included as equity method investment on the consolidated statements of financial position.

Basis of Accounting

The financial statements of the Organization are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments in money market funds to be cash equivalents.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants receivable. There was no valuation allowance for grants receivable as of December 31, 2021 and 2020. The opening balance in grants receivable at January 1, 2020 totaled \$157,529.

Property and Equipment

Property and equipment which meet the capitalization criteria are recorded at cost and are depreciated over their estimated useful life of 5 to 10 years. Leasehold improvements are amortized over the remaining life of the lease.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Net Assets

The accompanying financial statements have been prepared to focus on the Organization as a whole and to present its net assets, revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported in two classes of net assets - without donor restrictions and with donor restrictions, as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of the Organization are included in this category.

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. There were no net assets with donor restrictions at December 31, 2021 or 2020.

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or notification of a 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. During the years ended December 31, 2021 and 2020, the Organization did not receive any conditional promises to give.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. For the years ended December 31, 2021 and 2020, the Organization did not receive any amounts prior to incurring qualifying expenditures.

Advertising Costs

Advertising costs are expensed as incurred and totaled \$4,795 and \$1,421 during the years ended December 31, 2021 and 2020, respectively.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of functional expenses for the years ended December 31, 2021 and 2020, and present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Organization is a not-for-profit exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements.

Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

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 and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results and the results of future periods could differ from those estimates.

Recent Accounting Pronouncements

In January 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize and measure lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. Management is currently evaluating the impact ASU 2016-02 will have on its financial statements. ASU 2016-02 is effective beginning in the year ending December 31, 2022.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 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 consolidated statement of financial position date, comprise the following at December 31, 2021:

Cash and Cash Equivalents	\$ 796,908
Development Fee Receivable	6,733
Grants Receivable	<u>206,802</u>
Total	<u>\$ 1,010,443</u>

As part of its liquidity management plan, the Organization invests cash in excess of daily requirements in short-term investments, CDs, and money market funds.

Note 3. Concentration of Credit Risk

The Organization periodically maintains cash in bank accounts in excess of insured limits. At December 31, 2021, the Organization's cash included bank deposit accounts aggregating approximately \$512,000 in excess of the Federal Deposit Insurance Corporation limit of \$250,000 per institution.

During the year ended December 31, 2021, the Organization received revenues from one funding source which represent 16% of total revenues. Accounts receivable from this funding source represented 17% of grants receivable at December 31, 2021. During the year ended December 31, 2020, the Organization received revenues from two funding sources which represent 22% of total revenues. Accounts receivable from these funding sources represented 46% of grants receivable at December 31, 2020.

Note 4. Development Fee Receivable

On August 5, 2013, the Organization entered into an agreement with a certain real estate development company to assist in developing a 23-unit residential project (the Project) in New Orleans, Louisiana. The Organization is to receive a fee totaling \$485,117, of which \$148,196 is based on cash flow to the extent available for payment of such fee by the Project, through December 31, 2028. As of December 31, 2021 and 2020, the Organization has earned a total of \$430,947 and \$411,311, respectively, of development fees and has a receivable balance of \$6,733 and \$8,200, respectively.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 5. Property and Equipment

At December 31, 2021 and 2020, property and equipment consisted of the following:

	2021	2020
Leasehold Improvements	\$ 15,390	\$ 15,390
Less: Accumulated Depreciation	(9,234)	(7,695)
Property and Equipment, Net	\$ 6,156	\$ 7,695

Depreciation expense totaled \$1,539 for each of the years ended December 31, 2021 and 2020.

Note 6. Line of Credit

The Organization maintains a \$250,000 revolving line of credit with a lender, at a rate of 5.0% per annum based on a year of 360 days, expiring October 2022. Certain current and future contracts of the Organization are pledged to secure the line of credit. The balance on the line of credit at December 31, 2021 and 2020 totaled \$-0-.

Note 7. Coronavirus Response

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the Organization, to date, the Organization is experiencing lower than normal census, scaled back programming, and temporary furloughs of high-risk employees.

The Organization obtained a \$149,706 loan from Liberty Bank under the Paycheck Protection Program (PPP) in April 2020. Under the terms of the PPP, up to 100% of the loan (and related interest) may be forgiven if the proceeds are used for covered expenses and certain other requirements related to wage rates and maintenance of full-time equivalents are met. The Organization applied for forgiveness in February 2021 and received forgiveness of \$149,706 from the Small Business Administration (SBA) on July 27, 2021. The amount of loan forgiveness is presented as a component of other income on the consolidated statement of activities for the year ended December 31, 2021.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 7. Coronavirus Response (Continued)

The SBA may undertake a review of a loan of any size during the six-year period following forgiveness or repayment of the loan. The review may include the loan forgiveness application, as well as whether the Company received the proper loan amount. The timing and outcome of any SBA review is not known.

The Organization obtained a \$10,000 Economic Injury Disaster Loan (EIDL) Emergency Advance in April 2020. The program was originally established under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to advance amounts up to \$10,000 to provide economic relief to small businesses that were currently experiencing a temporary loss of revenue. Advances under the EIDL Emergency Advance program do not have to be repaid. This amount is recorded in the consolidated statement of activities in grant revenue for the year ended December 31, 2020.

Note 8. Equity Method Investment

Equity Investment in Iberville Offsite Rehab 2 Managing Member, L.L.C.

On August 2, 2013, NOWS Iberville, L.L.C. (NOWSI), a wholly-owned subsidiary of the Organization, contributed \$100 to acquire 51% interest of Iberville Offsite Rehab 2 Managing Member, L.L.C. (the Investee). The equity method was suspended during the year ended December 31, 2015, as NOWSI's share of net losses exceeded its capital contribution. At December 31, 2021 and 2020, the capital account of NOWSI had an accumulated deficit of \$15,051, and the carrying amount of the investment was \$-0-. NOWSI does not have effective control of the Investee and is not committed to provide further financial support for the Investee per the operating agreement.

Note 9. Commitments

The Organization is obligated under a cancelable operating lease for a property. The lease contains escalation clauses providing for increased rentals if extended. On February 1, 2018, the lease was renewed for a monthly payment of \$4,550, expiring January 31, 2022. On February 1, 2022, the lease was renewed for a monthly payment of \$4,800, expiring January 31, 2026.

In January 2019, the Organization entered into an operating lease for office equipment with a minimum monthly payment totaling \$175. The lease terminates January 2024.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

Notes to Consolidated Financial Statements

Note 9. Commitments (Continued)

Future minimum lease payments as of December 31, 2021 are as follows:

Year Ending December 31,	Amount
2022	\$ 59,450
2023	59,700
2024	57,600
2025	57,600
2026	<u>4,800</u>
Total	<u><u>\$ 239,150</u></u>

Rent expense totaled \$56,700 and \$59,325 for the years ended December 31, 2021 and 2020, respectively.

Note 10. Functionalized Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits, and related expenses, rent and utilities, supplies and printing, insurance, professional fees, and other expenses, which are allocated on the basis of estimates of time and effort.

Note 11. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, May 4, 2022, and determined that no events occurred that require disclosure.

SUPPLEMENTARY INFORMATION

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Schedule of Compensation, Benefits, and Other Payments
to Agency Head
For the Year Ended December 31, 2021

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees, be reported as a supplemental report within the financial statements of local governmental and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that receive public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

Agency Head
Dawn Fletcher, Executive Director

Purpose	Amount
Salary	\$84,615
Bonus	\$7,722
Benefits - Insurance	\$9,120
Benefits - Retirement	\$0
Benefits - Other	\$0
Car Allowance	\$0
Vehicle Provided by Organization	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration Fees	\$0
Conference Travel	\$0
Continuing Professional Education Fees	\$0
Miscellaneous Expenses	\$0

**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**

Independent Auditor's Report

To the Board of Directors
New Orleans Women & Children's Shelter, Inc.

We have audited, 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, the consolidated financial statements of New Orleans Women & Children's Shelter, Inc. (the Organization), which comprise the consolidated statement of financial position as of December 31, 2021, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated May 4, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001 and 2021-002, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Covington, LA
May 4, 2022

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Schedule of Findings and Responses
For the Year Ended December 31, 2021

Part I - Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditors' report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | Yes |
| 3. Noncompliance material to the financial statements noted? | No |

Federal Awards

Not applicable.

Part II - Financial Statement Findings

2021-001 Grants Receivable and Grants Revenue

Condition: In reviewing the grants receivable balance, we noted that the Organization was not appropriately reconciling the ending balance to supporting documentation.

Cause: Grants receivable recouped during subsequent requests for reimbursement were double-counted.

Effect: Grants receivable and grants revenue were overstated in 2021.

Recommendation: We recommend that management improve the internal tracking of and controls over grants receivable and revenue.

Management's Response: Management is working with an outside accountant to improve internal processes over the handling of grants receipts and the tracking of grants receivable.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Schedule of Findings and Responses (Continued)
For the Year Ended December 31, 2021

2021-002 Period-End Reconciliations and Review

Condition: In reviewing bank reconciliations, general ledger activity, and manual journal entries, we noted that the Organization was not appropriately reviewing period-end reconciliations and journal entry activity.

Cause: There are missing review controls over month-end close.

Effect: There were adjusting entries throughout the course of the audit.

Recommendation: We recommend that management improve controls over month-end close and review of journal entries.

Management's Response: Management is working with an outside accountant to improve internal processes over month-end close.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2021

2020-001 Grants Receivable and Grants Revenue

Current Status: Not resolved. See current year finding 2021-001.

AGREED-UPON PROCEDURES REPORT
New Orleans Women & Children's Shelter, Inc.

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period January 1, 2021 - December 31, 2021

To the Board of Directors
New Orleans Women & Children's Shelter, Inc. and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2021 through December 31, 2021. New Orleans Women & Children's Shelter, Inc.'s (the Organization) management is responsible for those C/C areas identified in the SAUPs.

New Orleans Women & Children's Shelter, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.

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- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **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.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: The Organization's Financial Policies and Procedures Manual does not address the following areas: Contracting, Credit Cards, and Information Technology Disaster Recovery/Business Continuity (1f, 1g, 1k).

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- b) For those entities reporting on the governmental accounting model, observe that 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 nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) 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.

Results: No exceptions were noted as a result of performing these procedures.

Bank Reconciliations

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

Results: The Organization has four bank accounts. We selected the December 2021 bank reconciliations for all four accounts for testing. Bank reconciliations do not include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (3b). For two of the accounts, there was no documentation reflecting that management had researched reconciling items older than 12 months (3c).

Collections (excluding electronic funds transfers)

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Results: No exceptions were noted as a result of performing Procedure 4, 5 and 6. The Organization does not keep a collections log for incoming cash receipts. As such, attributes 'a' and 'd' of Procedure 7 above could not be observed (7a, 7d).

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: No exceptions were noted as a result of performing these procedures

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

[Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: No exceptions were noted as a result of performing Procedure 11 and 12. There were 25 instances of missing written documentation of the business/public purpose of the transaction selected for testing (13.2).

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

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

Results: There was one instance of missing written documentation of the business/public purpose of the transaction selected for testing (14c).

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Results: No exceptions were noted as a result of these procedures.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
 19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: No exceptions were noted as a result of these procedures.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Not applicable.

Debt Service

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

Not applicable.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. 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.

Results: No exceptions were noted as a result of these procedures.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report: "We performed the procedure and discussed the results with management."
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Results: No exceptions were noted as a result of these procedures.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1st, and observe that it includes the applicable requirements of R.S. 42:344:

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

Not applicable.

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

We are required to be independent of New Orleans Women & Children's Shelter, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



A Professional Accounting Corporation

Covington, LA
May 4, 2022