

*Community Receiving Home, Inc.*  
*d/b/a Renaissance*

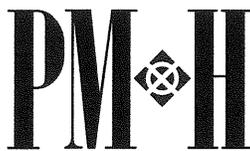
*Alexandria, Louisiana*

*June 30, 2019*

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

## Independent Auditor's Report

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance

### Report on the Financial Statements

We have audited the accompanying financial statements of Community Receiving Home, Inc. d/b/a Renaissance (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Rebecca B. Morris, C.P.A.  
Michael A. Juneau, C.P.A.  
Cindy L. Humphries, C.P.A.  
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.  
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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Receiving Home, Inc. d/b/a Renaissance as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Other 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 the agency head or chief executive officer 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 September 19, 2019, on our consideration of Community Receiving Home, Inc. d/b/a Renaissance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Community Receiving Home, Inc. d/b/a Renaissance'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 Community Receiving Home, Inc. d/b/a Renaissance's internal control over financial reporting and compliance.

*Payne, Moore + Herrington, LLP*

Certified Public Accountants  
Alexandria, Louisiana

September 19, 2019

**Community Receiving Home, Inc.  
d/b/a Renaissance  
Statement of Financial Position  
June 30, 2019**

**Exhibit A**

<b>Assets</b>		
Cash and cash equivalents		\$ 1,108,416
Certificate of deposit		24,139
Accounts receivable		81,954
Accrued interest receivable		398
Prepaid expenses		55,239
Dietary inventory		7,303
Property and equipment - net of depreciation		<u>2,917,505</u>
<b>Total Assets</b>		<u><u>\$ 4,194,954</u></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable		\$ 54,899
Deposits held for others		427
Payroll taxes and other employee withholdings		29,596
Accrued salaries		70,297
Accrued vacation pay		55,198
Deferred income		<u>6,950</u>
<b>Total Liabilities</b>		<u>217,367</u>
<b>Net Assets</b>		
Net Assets Without Donor Restrictions		
Operating		3,933,162
Designated for public information		15,993
Designated for shelter care		1,233
Designated for scholarships		<u>478</u>
<b>Total Net Assets Without Donor Restrictions</b>		<u>3,950,866</u>
Net Assets With Donor Restrictions		<u>26,721</u>
<b>Total Net Assets</b>		<u><u>3,977,587</u></u>
<b>Total Liabilities and Net Assets</b>		<u><u>\$ 4,194,954</u></u>

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

**Community Receiving Home, Inc.**  
**d/b/a Renaissance**  
**Statement of Activities**  
**Year Ended June 30, 2019**

**Exhibit B**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues and Support</b>			
Local government	\$ 1,787,153	\$ -	\$ 1,787,153
State government	828,242	-	828,242
Grants	-	69,966	69,966
Interest	2,939	112	3,051
Subleases	30,469	-	30,469
Loss on disposal of asset	(251)	-	(251)
Noncash charitable contributions	147,984	-	147,984
Miscellaneous	32,961	-	32,961
Net assets released from restrictions	69,966	(69,966)	-
Total Revenues and Support	2,899,463	112	2,899,575
<b>Functional Expenses</b>			
Program services			
Detention	726,139	-	726,139
Girls Residential/Shelter	412,994	-	412,994
Boys Residential/Shelter	479,785	-	479,785
Support Service			
Management and general	1,225,473	-	1,225,473
Total Expenses	2,844,391	-	2,844,391
<b>Change in Net Assets</b>	55,072	112	55,184
<b>Net Assets, Beginning of Year</b>	3,895,794	26,609	3,922,403
<b>Net Assets, End of Year</b>	\$ 3,950,866	\$ 26,721	\$ 3,977,587

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

**Community Receiving Home, Inc.**  
**d/b/a Renaissance**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2019**

**Exhibit C**

	<b>Program Services</b>			<b>Support Service</b>	<b>Total</b>
	<b>Girls' Residential/ Detention</b>	<b>Boys' Residential/ Shelter</b>	<b>Management &amp; General</b>		
Accounting and professional services	\$ -	\$ -	\$ -	\$ 13,235	\$ 13,235
Accreditation	-	-	-	10,250	10,250
Advertising	773	667	560	-	2,000
Automobile expense	-	-	-	7,308	7,308
Client food and clothing	62,194	43,530	46,321	7,611	159,656
Client supplies and allowances	2,496	4,135	5,643	-	12,274
Counseling fees	9,264	288	984	990	11,526
Depreciation	19,343	41,035	30,098	84,004	174,480
Dues and subscriptions	3,106	3,423	3,423	506	10,458
Group insurance	29,513	15,960	20,216	48,791	114,480
Insurance	35,819	34,328	32,713	78,314	181,174
Maintenance and repairs	28,673	8,816	11,728	24,843	74,060
Medical supplies and fees	7,485	7,280	7,215	10,427	32,407
Office and postage	4,420	1,935	2,736	39,172	48,263
Payroll taxes	36,202	16,736	24,566	55,733	133,237
Rental expense	-	-	-	9,348	9,348
Retirement	12,461	5,191	7,041	27,452	52,145
Salaries	437,247	204,401	257,977	734,443	1,634,068
Telephone	-	-	-	35,615	35,615
Travel, training, and seminars	14,751	14,605	12,616	13,168	55,140
Utilities	22,392	10,664	15,948	24,263	73,267
<b>Total Functional Expenses</b>	<b>\$ 726,139</b>	<b>\$ 412,994</b>	<b>\$ 479,785</b>	<b>\$ 1,225,473</b>	<b>\$ 2,844,391</b>

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

**Community Receiving Home, Inc.  
d/b/a Renaissance  
Statement of Cash Flows  
Year Ended June 30, 2019**

**Exhibit D**

**Cash Flows from Operating Activities**

Change in net assets	\$ 55,184
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	174,480
Noncash charitable contributions	(147,984)
Loss on disposal of assets	251
Changes in operating assets and liabilities:	
Accounts receivable	13,724
Dietary inventory	836
Prepaid expenses	(6,656)
Accounts payable	(9,584)
Payroll taxes and other employee withholdings	27,430
Accrued salaries	15,617
Accrued vacation pay	2,077
Deferred income	41
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>125,416</b>

**Cash Flows from Investing Activities**

Purchase of property and equipment	(119,682)
Maturity of investments	24,030
Purchase of investments	(24,139)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(119,791)</b>

**Cash Flows from Financing Activities**

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**Increase (Decrease) in Cash and Cash Equivalents**

	5,625
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**Cash and Cash Equivalents, Beginning of Year**

	1,102,791
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**Cash and Cash Equivalents, End of Year**

	\$ 1,108,416
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**Additional Required Disclosures:**

1. Renaissance considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. There was no interest paid during the year ended June 30, 2019.
3. No income taxes were paid during the year ended June 30, 2019.
4. There were no material noncash financing transactions during the year that affected recognized assets and liabilities. As disclosed in Note 1, a building was donated during the year ended June 30, 2019.

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

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

**Notes to Financial Statements**

**1. Nature of Activities and Significant Accounting Policies**

Nature of Activities

Community Receiving Home, Inc. d/b/a Renaissance is a nonprofit corporation located in Alexandria, Louisiana, which provides community based multifunction juvenile justice support intervention. Programs include:

- The Detention program provides secure care for juveniles accused of delinquent acts until their trial and placement.
- The Girls and Boys Shelter Care provides a safe haven for abused, neglected, runaway, and throwaway children.
- The Girls and Boys Residential Home provides long-term treatment and rehabilitation for children who deserve a second chance.

The range of children served includes children who may be delinquent, in need of supervision, neglected, and/or abused.

Primary funding is derived from a parish-wide ad valorem tax administered by the Rapides Parish Police Jury and fees received from the State of Louisiana for various youth services.

Significant Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

New Accounting Standard

During the year ended June 30, 2019, Renaissance adopted the requirements of Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities (Topic 958); Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. In addition to changes in terminology used to describe categories of net assets throughout the financial statements, new disclosures were added regarding liquidity and availability of resources, as well as the functional allocation of expenses. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used. These changes did not have a material effect on the financial statements.

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

**Notes to Financial Statements**

As required by Generally Accepted Accounting Standards, Renaissance reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

- Net assets without donor restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, local government support, state government support, interest earned from the certificates of deposit, and sublease income, less expenses incurred in providing program related services and performing administrative functions.
- Net assets with donor restrictions – These net assets result from gifts of cash or other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose restriction is accomplished, the net assets are restricted.

The changes resulting from the implementation of this new standard are as follows:

	Amounts under the FASB ASC 958	Reclassifications	"as adjusted" Amounts under ASU No. 2016-14
Net assets:			
Unrestricted	\$ 3,895,794	\$ (3,895,794)	\$ -
Temporarily restricted	16,609	(16,609)	-
Permanently restricted	10,000	(10,000)	-
Without donor restrictions	-	3,895,794	3,895,794
With donor restrictions	-	26,609	26,609
Total net assets	\$ 3,922,403	\$ -	\$ 3,922,403

Basis of Accounting

The financial statements have been prepared on an accrual basis in conformity with generally accepted accounting principles. Under this method, revenues are recognized when earned, and expenses are recorded at the time the liabilities are incurred.

Basis of Presentation

Renaissance prepares its financial statements in accordance with Financial Accounting Standards Board. As required by Generally Accepted Accounting Standards, Renaissance reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of petty cash, checking and savings accounts, and certificates of deposit with a maturity within three months of the date acquired.

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

**Notes to Financial Statements**

Certificates of Deposit

Certificates of deposit with maturity dates greater than three months are stated at cost, which approximates market value. Certificates of deposit having a maturity date greater than one year from year-end are considered long-term assets.

Accounts Receivable

Accounts receivable are charged to expense when they become uncollectible. There were no receivables included in the financial statements considered uncollectible by management at June 30, 2019. An allowance for doubtful accounts, if any, would not be material to the accompanying financial statements.

Dietary Inventory

Dietary inventory is carried at lower of cost or net realizable value by use of the first-in, first-out method of accounting.

Property and Equipment

All significant acquisitions of property and equipment and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets in excess of \$500 are capitalized. Property and equipment, including improvements thereto, are stated at cost or, if acquired by gift, at the estimated market value on the date of gift. The gifts are recorded as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash earmarked to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, Renaissance reports expirations of donor restrictions when the donated or acquired assets are placed in service. Renaissance reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

During the year ended June 30, 2019, Renaissance acquired a building by gift. The estimated market value of the building on the date of the gift totaled \$147,984.

Deferred Income

Rental payments are received for land subleased annually. A portion of these payments totaling \$6,950 are considered unearned and reflected in the statement of financial position as deferred income.

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

**Notes to Financial Statements**

Recognition of Contributions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue Recognition

The Rapides Parish Police Jury receives ad valorem taxes late in the calendar year. These taxes are held by the Police Jury and distributed ratably on a monthly basis. Revenue derived from these taxes is recorded on a monthly basis as the Police Jury approves the monthly disbursement.

Donated Materials and Services

Donated materials are reflected as contributions at their estimated value at the date of receipt and are recorded as expenses for current operations. Donated services that require specialized skills are provided by individuals possessing those skills. These services would typically be purchased if not provided through donation and are recorded at fair value in the period received.

No amounts have been reflected in the financial statements for donated materials or services. Renaissance pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist Renaissance with specific assistance programs, solicitations, and various committee assignments.

Compensated Absences

Vested or accumulated vacation leave and compensatory time earned is recorded as an expense and liability as the benefits accrue to the employees. An accrual for non-vesting accumulating rights to receive sick pay benefits has not been made in these financial statements because Renaissance does not pay their employees sick time earned upon termination.

Income Taxes

Renaissance is a nonprofit organization exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and comparable Louisiana law. Accordingly, no provision for income taxes has been made in the accompanying financial statements. Renaissance's tax returns remain subject to audit by the IRS for three years after filing. At June 30, 2019, the returns for tax years 2016, 2017, and 2018 remain open. For the fiscal year ended June 30, 2019, Management of Renaissance believe it has adequate support for all material tax positions, and that more likely than not, based on the technical merits, that their position will be sustained upon examination. Renaissance has been classified as an organization that is not a private foundation under Section 509(a)(2) of the code.

**Community Receiving Home, Inc.**  
**d/b/a Renaissance**  
**June 30, 2019**

**Notes to Financial Statements**

Advertising Costs

Advertising costs are expensed as incurred and amounted to \$2,000 for the year ended June 30, 2019.

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

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, costs have been allocated on a reasonable and consistent basis among the functional areas benefited. Most of the expenses are charged directly to program or support services based on specific identification. Certain categories of expenses attributable to administrative support include depreciation, insurance, salaries and benefits, and payroll taxes. These expenses are allocated based on either time and effort, or management's estimate of the activities benefited.

Subsequent Events

Management has evaluated subsequent events through September 19, 2019, the date which the financial statements were available for issue.

**2. Cash and Cash Equivalents**

Cash and cash equivalents consisted of the following:

Cash on hand	\$ 300
Interest-bearing checking and savings accounts	<u>1,108,116</u>
	\$ 1,108,416

Custodial credit risk is the risk that in the event of a bank failure, Renaissance's deposits may not be returned. As of June 30, 2019, Renaissance's bank balance of \$1,132,030 was not exposed to custodial credit risk in that \$328,830 was insured through FDIC insurance coverage, and \$803,200 was collateralized by securities held by the pledging bank in Renaissance's name.

**Community Receiving Home, Inc.**  
**d/b/a Renaissance**  
**June 30, 2019**

**Notes to Financial Statements**

**3. Certificate of Deposit**

The certificate of deposit is held in a financial institution located in the Central Louisiana area. This certificate has a stated interest rate of forty-five hundredths of a percent (.45%) per annum and will mature within seven months of the statement of financial position date.

**4. Accounts Receivable**

State of Louisiana – Office of Juvenile Justice	\$	64,140
State of Louisiana – Department of Education – Bureau of Food and Nutrition		8,075
Other parishes and municipalities		1,045
Other		8,694
	\$	<u>81,954</u>

**5. Property and Equipment**

	Cost	Accumulated Depreciation	Net
Buildings and improvements:			
Office and detention	\$ 2,362,116	\$ (1,353,813)	\$ 1,008,303
Group home	367,493	(199,718)	167,775
Shelter care	707,482	(343,174)	364,308
School	1,373,919	(370,826)	1,033,093
Maintenance building	28,196	(8,889)	19,307
Leased building	147,984	(3,162)	144,822
Furniture and equipment:			
Office	83,898	(75,793)	8,105
Detention	247,112	(182,606)	64,506
Group home	119,473	(91,515)	27,958
Shelter care	74,382	(59,464)	14,918
School	19,299	(17,312)	1,987
Other	275,648	(259,052)	16,596
Transportation equipment	156,430	(123,245)	33,185
Leasehold improvements	7,016	(149)	6,867
Construction in progress	35,775	-	35,775
	<u>\$ 6,006,223</u>	<u>\$ (3,088,718)</u>	<u>\$ 2,917,505</u>

The depreciation provision for the year ended June 30, 2019 amounted to \$174,480.

**6. Net Assets with Donor Restrictions**

Net assets with donor restrictions at June 30, 2019 are restricted for the following purposes or periods:

Purpose Restrictions		
Emergencies	\$	24,148
Property and equipment		2,573
	\$	<u>26,721</u>

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

**Notes to Financial Statements**

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Purpose restriction accomplished:		
Child Sexual Abuse Counseling Program (LCLE grant)	\$	28,340
School Food Program		<u>41,626</u>
	\$	69,966

**7. Leases and Subleases**

**Renaissance as Lessee**

Renaissance leases land and certain buildings from the State of Louisiana, Department of Health and Hospitals under a ninety-nine (99) year lease expiring in 2071. Consideration for the lease is the public benefit to be derived from the operations of Renaissance.

**Renaissance as Lessor**

On January 1, 2013, the formal lease agreement between Walter and Ann Vanderlick and Renaissance was renewed providing an annual payment of \$10,127. The lease term expired on December 31, 2017. On January 1, 2018, this lease was renewed under the same terms expiring on December 31, 2022.

In 1988, Renaissance entered into an agreement with Randolph A. Mansour and Donald A. Mansour to sublease approximately three-fourths (3/4) of an acre of land for thirty (30) years for the purpose of constructing a building thereon to be subleased. Upon this leases' termination on September 15, 2018, the building constructed by Randolph and Donald Mansour reverted to Renaissance. Renaissance collected \$510 through the leases' termination.

On September 15, 2018, Renaissance entered into a month to month lease agreement with Philly's Pizza for \$900 per month.

On July 7, 2012, a formal lease agreement was entered into with the City of Alexandria providing an annual lease payment of \$9,365 (\$125/acre X 74.92 acres) payable on the 15<sup>th</sup> day of May each year. The rent will increase by 2.75% each year for the term of the lease which will expire on September 31, 2031. The term commenced on September 15, 2011.

Total income from subleases totaled \$30,469 for the current fiscal year.

Year ending June 30,		
2020	\$	21,762
2021		22,082
2022		22,410
2023		17,685
2024		12,969
2025-2029		70,392
2030-2031		<u>30,942</u>
	\$	198,242

**Community Receiving Home, Inc.**  
**d/b/a Renaissance**  
**June 30, 2019**

**Notes to Financial Statements**

**8. Retirement Plan**

Effective January 1, 2000, Renaissance adopted a deferred profit-sharing plan covering all employees eligible to participate in the plan. Contributions to the plan are made for the benefit of the employee by Renaissance in an amount equal to three percent (3%) of an individual's regular annual salary. Participants shall be permitted to make elective deferrals in any amount from one percent (1%) to ten percent (10%) of their compensation. Renaissance will also match up to three percent (3%) of elective deferrals. Contributions to the plan for the year ended June 30, 2019, totaled \$52,145.

**9. Concentrations of Revenues and Significant Funding Sources**

Renaissance received \$1,749,278 from the parish-wide ad valorem tax during the year ended June 30, 2019. This tax, which was renewed in 2014 for an additional ten years, represented approximately sixty percent (60%) of the total revenues and support for the current year.

Additionally, Renaissance has a contract with the State of Louisiana Office of Juvenile Justice (OJJ) to provide juvenile group home residential treatment. This contract was renewed on July 1, 2018 through May 31, 2021. Total amounts received from the State under this contract totaled \$828,242 or twenty-nine percent (29%) of the total revenues for the current year.

**10. Liquidity and Availability of Financial Assets**

The following reflects Renaissance's financial assets as of June 30, 2019, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

Financial assets:

Cash and cash equivalents	\$ 1,108,416
Certificates of deposit	24,139
Accounts receivable	81,954
Accrued interest receivable	<u>398</u>
Financial assets at year-end	<u>1,214,907</u>

Less those unavailable for general expenditure within one year, due to:

Restricted by donors with purpose restrictions	<u>(26,721)</u>
Total amount unavailable for general expenditure within one year	<u>(26,721)</u>

Amounts unavailable to management without Board's approval:

Board designated for community investment	<u>(17,704)</u>
Total amount unavailable to management without Board's approval	<u>(17,704)</u>

Total financial assets available to meet cash needs for general expenditures within one year

\$ 1,170,482

**Community Receiving Home, Inc.  
d/b/a Renaissance  
June 30, 2019**

**Notes to Financial Statements**

Renaissance must maintain sufficient resources to meet responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of Renaissance's liquidity management, they structure their financial assets to be available as general expenditures, liabilities, and other obligations come due. In addition, Renaissance operates with a balanced budget and anticipates covering its general expenditures by collecting sufficient revenues and by utilizing donor-restricted resources from current and prior years' contributions and grant funds.

## **Supplemental Information**

**Community Receiving Home, Inc.**  
**d/b/a Renaissance**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to the Agency Head or Chief Executive Officer**  
**June 30, 2019**

**Statement E**

Agency Head: Angela Chustz, Executive Director

Salary	\$ 71,015
Benefits - insurance	895
Benefits - retirement	4,261
	<u>\$ 76,171</u>

See independent auditor's report.

**Other Report Required by  
*Government Auditing Standards***

**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Receiving Home, Inc. d/b/a Renaissance (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 19, 2019.

**Internal Control Over Financial Reporting**

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

Rebecca B. Morris, C.P.A.  
Michael A. Juneau, C.P.A.  
Cindy L. Humphries, C.P.A.  
Deborah R. Dunn, C.P.A.

Rebecca G. Nation, C.P.A.  
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PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance

### **Compliance and Other Matters**

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

### **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 Renaissance's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Renaissance's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Payne, Moore + Herrington, LLP*

Certified Public Accountants  
Alexandria, Louisiana

September 19, 2019

**Community Receiving Home, Inc.  
d/b/a Renaissance  
Schedule of Findings and Responses  
Year Ended June 30, 2019**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ yes      X   no

Significant deficiency(ies) identified  
that are not considered to be  
material weaknesses?

\_\_\_\_\_ yes      X   none reported

Noncompliance material to financial  
statements noted?

\_\_\_\_\_ yes      X   no

*Management's Corrective Action Plan*

Not applicable

*Management's Summary Schedule of Prior Audit Findings*

Not applicable

*Memorandum of Other Comments and Recommendations*

None issued

*Federal Awards*

Not applicable

**Section II – Financial Statement Findings**

None.

**Section III – Federal Award Finding and Questioned Costs**

Not applicable.

*Community Receiving Home, Inc.*  
*d/b/a Renaissance*

*Statewide Agreed-Upon Procedures Report*

*Alexandria, Louisiana*

*June 30, 2019*



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Established 1945

## Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Community Receiving Home, Inc. d/b/a Renaissance (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated results are as follows:

### ***Written Policies and Procedures***

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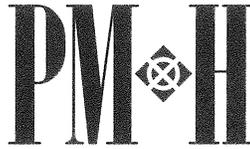
1. **Procedure:** Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending 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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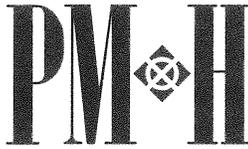


PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

- 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, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- 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 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read 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) **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.

**Results:** No exceptions noted.



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

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

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2. **Procedure:** 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 and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than ten percent (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 (1) meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

**Results:** Not applicable – no prior year exceptions noted.

### ***Bank Reconciliations***

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3. **Procedure:** Obtain a listing of client 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 four (4) additional accounts [or all accounts if less than five (5)]. Randomly select one (1) month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
- a) Bank reconciliations include evidence that they were prepared within two (2) months of the related statement closing date (e.g., initialed and dated, electronically logged);



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

- 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 twelve (12) months from the statement closing date, if applicable.

**Results:** Not applicable – no prior year exceptions noted.

***Collections (excluding EFTs)***

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- 4. **Procedure:** 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 five (5) deposit sites [or all deposit sites if less than five (5)].

**Results:** No exceptions noted.

- 5. **Procedure:** For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one (1) collection location for each deposit site [i.e. five (5) collection locations for five (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 verifies the reconciliation.

**Results:** No exceptions noted.



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

6. **Procedure:** Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

**Results:** No exceptions noted.

7. **Procedure:** Randomly select two (2) deposit dates for each of the five (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 ten (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 (1) business day of receipt at the collection location [within one (1) week if the depository is more than ten (10) miles from the collection location or the deposit is less than \$100].
- e) Trace the actual deposit per the bank statement to the general ledger.

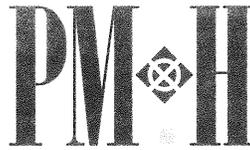
**Results:** No exceptions noted.

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

---

8. **Procedure:** Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select five (5) locations [or all locations if less than five (5)].

**Results:** Not applicable – no prior year exceptions noted.



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

9. **Procedure:** 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 (2) employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two (2) 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.]

**Results:** Not applicable – no prior year exceptions noted.

10. **Procedure:** 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 five (5) disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Results:** Not applicable – no prior year exceptions noted.



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

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

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11. **Procedure:** 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.

**Results:** No exceptions noted.

12. **Procedure:** Using the listing prepared by management, randomly select five (5) cards [or all cards if less than five (5)] that were used during the fiscal period. Randomly select one (1) monthly statement or combined statement for each card [for a debit card, randomly select one (1) monthly bank statement], obtain supporting documentation, and:

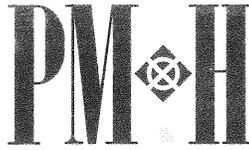
a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other 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.

**Results:** No exceptions noted.

13. **Procedure:** Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select ten (10) transactions [or all transactions if less than ten (10)] from each statement, and obtain supporting documentation for the transactions [i.e. each card should have ten (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 noted.



PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

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

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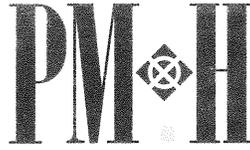
- 14. Procedure:** Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select five (5) reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five (5) reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe 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:** Not applicable – no prior year exceptions noted.

***Contracts***

---

- 15. Procedure:** 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 five (5) contracts [or all contracts if less than five (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).



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one (1) payment from the fiscal period for each of the five (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:** Not applicable – no prior year exceptions noted.

#### ***Payroll and Personnel***

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- 16. Procedure:** Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select five (5) employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

**Results:** Not applicable – no prior year exceptions noted.

- 17. Procedure:** Randomly select one (1) pay period during the fiscal period. For the five (5) employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to 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/officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

**Results:** Not applicable – no prior year exceptions noted.



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

- 18. Procedure:** Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two (2) employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

**Results:** Not applicable – no prior year exceptions noted.

- 19. Procedure:** Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**Results:** Not applicable – no prior year exceptions noted.

### ***Ethics***

---

- 20. Procedure:** Using the five (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 (1) hour of ethics training during the fiscal period.
- b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

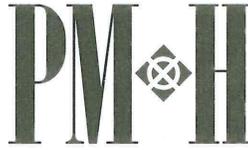
**Results:** Ethics requirements are not applicable to nonprofits.

### ***Debt Service***

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- 21. Procedure:** Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

**Results:** Debt service requirements are not applicable to nonprofits.



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To the Board of Directors of  
Community Receiving Home, Inc.  
d/b/a Renaissance  
and the Louisiana Legislative Auditor

**22. Procedure:** 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 (1) 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).

**Results:** Debt service requirements are not applicable to nonprofits.

**Other**

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**23. Procedure:** 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.

**Results:** Not applicable – no prior year exceptions noted.

**24. Procedure:** 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:** Not applicable – no prior year exceptions noted.

We were not engaged to and did not conduct an examination or review, 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.

The purpose of this report is 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.

*Payne, Moore & Herrington, LLP*

Payne, Moore & Herrington, LLP  
Alexandria, Louisiana

September 19, 2019