

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

**FINANCIAL STATEMENTS AND
AUDITOR'S REPORT**

JUNE 30, 2019

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

TABLE OF CONTENTS

| | PAGE |
|--|-------------|
| INDEPENDENT AUDITOR'S REPORT | 3 |
| STATEMENT OF FINANCIAL POSITION | 5 |
| STATEMENT OF ACTIVITIES | 6 |
| STATEMENT OF CASH FLOWS | 7 |
| NOTES TO FINANCIAL STATEMENTS | 8 |
| SUPPLEMENTAL SCHEDULES | |
| SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 16 |
| SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER | 18 |
| 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 <i>GOVERNMENT AUDITING STANDARDS</i> | 19 |
| INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE | 21 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 23 |

Justin J. Scanlan, C.P.A., L.L.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Foundation Against Sexual Assault, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana Foundation Against Sexual Assault, Inc. (a non-profit organization), which comprise the statement of the financial position as of June 30, 2019, and the related statements of activities 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 controls 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Foundation Against Sexual Assault, Inc. 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.

Emphasis of Matter

As discussed in Note A12 to the financial statements, Louisiana Foundation Against Sexual Assault, Inc. adopted Accounting Standards Update No. 2016-14 in the current year related to the presentation of financial statements. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Louisiana Foundation Against Sexual Assault, Inc.'s 2018 financial statements, and our report dated October 9, 2018, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of compensation, benefits and other payments to agency head or chief executive officer, and the accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200. *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 statement 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 October 15, 2019, on our consideration of Louisiana Foundation Against Sexual Assault, Inc.'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 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 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 Louisiana Foundation Against Sexual Assault, Inc.'s internal control over financial reporting and compliance.

Justin J. Scalen, CPA, LLC

New Orleans, Louisiana
October 15, 2019

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2019

| | ASSETS | SUMMARIZED COMPARATIVE INFORMATION <u>JUNE 30, 2018</u> |
|--|-------------------|--|
| Current assets | | |
| Cash | \$ 79,596 | \$ 22,216 |
| Receivables | | |
| Grants receivable (Notes A4 and B) | 363,354 | 317,363 |
| Other | <u>2,421</u> | <u>1,724</u> |
| | <u>365,775</u> | <u>319,087</u> |
| Prepaid expenses | <u>5,816</u> | <u>3,682</u> |
| Total current assets | <u>451,187</u> | <u>344,985</u> |
| Total assets | <u>\$ 451,187</u> | <u>\$ 344,985</u> |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | <u>\$ 174,501</u> | <u>\$ 99,592</u> |
| Total current liabilities | <u>174,501</u> | <u>99,592</u> |
| Commitment (Note C) | <u>-</u> | <u>-</u> |
| Total liabilities | <u>174,501</u> | <u>99,592</u> |
| Net assets | | |
| Without donor restrictions | 276,686 | 245,393 |
| With donor restrictions | <u>-</u> | <u>-</u> |
| Total net assets | <u>276,686</u> | <u>245,393</u> |
| Total liabilities and net assets | <u>\$ 451,187</u> | <u>\$ 344,985</u> |

The accompanying notes are an integral part of this financial statement.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2019

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> | SUMMARIZED COMPARATIVE INFORMATION For the year ended <u>June 30, 2018</u> |
|---------------------------------------|---|------------------------------------|-------------------|---|
| REVENUE | | | | |
| Grant appropriations (Note F) | \$ - | \$ 1,181,180 | \$ 1,181,180 | \$ 965,073 |
| Contributions | 14,733 | - | 14,733 | 9,074 |
| Other | 4,853 | - | 4,853 | 5,100 |
| Net assets released from restrictions | <u>1,181,180</u> | <u><1,181,180></u> | <u>-</u> | <u>-</u> |
| TOTAL REVENUE | <u>1,200,766</u> | <u>-----</u> | <u>1,200,766</u> | <u>979,247</u> |
| EXPENSES | | | | |
| Salaries | 419,146 | - | 419,146 | 362,739 |
| Fringe benefits | 118,851 | - | 118,851 | 96,851 |
| Travel | 79,630 | - | 79,630 | 40,445 |
| Operating services | 102,325 | - | 102,325 | 97,756 |
| Supplies | 6,678 | - | 6,678 | 20,110 |
| Professional services | 118,920 | - | 118,920 | 60,427 |
| Equipment expense | 7,336 | - | 7,336 | 19,279 |
| Subrecipient costs | 309,506 | - | 309,506 | 296,327 |
| Other costs | <u>7,081</u> | <u>-</u> | <u>7,081</u> | <u>23,264</u> |
| TOTAL EXPENSES | <u>1,169,473</u> | <u>-----</u> | <u>1,169,473</u> | <u>1,017,198</u> |
| Change in net assets | 31,293 | - | 31,293 | < 37,951 > |
| Net assets, beginning of year | <u>245,393</u> | <u>-</u> | <u>245,393</u> | <u>283,344</u> |
| Net assets, end of year | <u>\$ 276,686</u> | <u>\$ -----</u> | <u>\$ 276,686</u> | <u>\$ 245,393</u> |

The accompanying notes are an integral part of this financial statement.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2019

| | | SUMMARIZED COMPARATIVE INFORMATION |
|--|------------------|---|
| | | For the year ended June 30, 2018 |
| Cash flows from operating activities: | | |
| Change in net assets | \$ 31,293 | \$ < 37,951 > |
| Adjustments to reconcile decrease in net assets to net cash provided by in operating activities: | | |
| Changes in assets and liabilities: | | |
| <Increase> decrease in grants receivables | < 45,991 > | 297 |
| <Increase> decrease in other receivables | < 697 > | < 224 > |
| <Increase> decrease in prepaid expenses | < 2,134 > | - |
| Increase <decrease> in accounts payable and accrued liabilities | <u>74,909</u> | <u>< 47,220 ></u> |
| Net cash provided by <used in> operating activities | <u>57,380</u> | <u>< 85,098 ></u> |
| | | |
| Net increase <decrease> in cash and cash equivalents | 57,380 | < 85,098 > |
| Cash and cash equivalents, beginning of year | <u>22,216</u> | <u>107,314</u> |
| Cash and cash equivalents, end of year | <u>\$ 79,596</u> | <u>\$ 22,216</u> |

The accompanying notes are an integral part of this financial statement.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Nature of Activities

Louisiana Foundation Against Sexual Assault, Inc. is a nonprofit corporation dedicated to eliminating sexual violence, and to easing the suffering of and facilitating the recovery of victims of sexual violence.

2. Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. There were no net assets with donor restrictions at June 30, 2019.

3. Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a 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. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. **Receivables**

The corporation considers accounts receivables to be fully collectible since the balance consists primarily of payments due under government contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

5. **Property and Equipment**

Louisiana Foundation Against Sexual Assault, Inc. records property acquisitions at cost. Donated assets are recorded at estimated value at the date of donation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. There was no depreciation expense for the year ended June 30, 2019.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

6. **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

7. **Cash Equivalents**

For purposes of the statement of cash flows, the corporation considers all demand deposits to be cash equivalents.

8. **Fair Values of Financial Instruments**

The carrying amount of cash and cash equivalent reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

9. **Functional Allocation of Expenses**

The expenses of providing programs and other activities have been summarized on a functional basis in Note G to the financial statements. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

10. **Subsequent Events**

The subsequent events of the organization were evaluated through the date the financial statements were available to be issued (October 15, 2019).

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. Summarized Comparative Information

Summarized Comparative Information are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

12. New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The 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. Louisiana Foundation Against Sexual Assault, Inc. has adjusted the presentation of these statements accordingly.

13. Accounting Pronouncements Issued but Not Yet Adopted

In June, 2018, the FASB issued ASU No. 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This ASU is effective for the Foundation for the annual period beginning after December 31, 2018.

FASB has issued ASU No. 2014-09, Revenue from Contracts with Customers, to update its revenue recognition standard to clarify the principles of recognizing revenue and eliminate industry-specific guidance as well as help financial statement users better understand the nature, amount, timing, and uncertainty of revenue that is recognized. This standard will be effective for periods beginning after December 15, 2018.

In February 2016, the FASB issued ASU No. 2016-02, Leases. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months in the statement of financial position as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2019.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2019

NOTE B – GRANTS RECEIVABLE

Grants receivable at June 30, 2019 consist of the following:

| | |
|---|-------------------|
| State of Louisiana | |
| Office of Public Health | \$ 112,054 |
| Louisiana Commission on Law Enforcement and Administration of Criminal Justice | 218,300 |
| U. S. Department of Justice | <u>33,000</u> |
| | <u>\$ 363,354</u> |

NOTE C - COMMITMENT

The corporation leases its administrative facility under an operating lease expiring May 31, 2021. The rental expense for the year ended June 30, 2019 totaled \$42,253.

The future minimum rental payments are as follows:

| Year ending <u>June 30,</u> | |
|--------------------------------|------------------|
| 2020 | \$ 42,083 |
| 2021 | <u>38,576</u> |
| | <u>\$ 80,659</u> |

NOTE D – PENSION PLAN

The corporation established a defined contribution plan covering all full-time employees. The corporation contributes to the plan an amount equal to 7% of the total employee's compensation. There was no change in the contribution rate from the prior year. The pension expense for the year ended June 30, 2019 totaled \$25,355, which is included in fringe benefit costs in the Statement of Activities.

NOTE E – INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

The corporation has adopted the provision of FASB ASC 740-10-25, which requires a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to position taken or expected to be taken in a tax return. The corporation does not believe its financial statements include any uncertain tax positions.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2019

NOTE F – SUMMARY OF FUNDING

Louisiana Foundation Against Sexual Assault, Inc.'s funding for grants and contracts consist of the following:

| <u>Grants</u> | <u>Period</u> | <u>Revenue Recognized</u> |
|--|-----------------|-------------------------------|
| <u>Governmental</u> | | |
| State of Louisiana Department of Health and Hospitals: | | |
| Office of Public Health | 7/1/17-6/30/19 | \$ 475,475 |
| Louisiana Commission on Law Enforcement and Administration of Criminal Justice: | | |
| Victim Outreach Program 8 | 1/1/19-12/31/19 | 27,993 |
| Victim Outreach Program 8 | 1/1/18-12/31/18 | 33,405 |
| Legal Advocacy Program 8 | 1/1/19-12/31/19 | 75,304 |
| Prison Rape Elimination Act (PREA) Program | 5/1/18-4/30/19 | 75,214 |
| Campus Sexual Assault Program 8 | 7/1/17-12/31/18 | 53,161 |
| Campus Sexual Assault Program 8 | 1/1/19-12/31/19 | 48,922 |
| Justice System Program 8 | 7/1/17-12/31/18 | 56,669 |
| Legal Advocacy Program 8 | 7/1/17-12/31/18 | 56,399 |
| Prison Rape Elimination Act (PREA) Program | 5/1/19-4/30/20 | 10,446 |
| SASP Administrative Funds | 3/1/18-12/31/18 | 15,576 |
| SASP Administrative Funds | 1/1/19-12/31/19 | 5,768 |
| Justice System Program Coordinator Program 8 | 1/1/19-12/31/19 | 50,700 |
| U. S. Department of Justice | | |
| FY18 State Sexual Assault Coalition Grant | 9/1/17-8/31/19 | <u>196,148</u> |
| Total grant appropriations | | <u>\$ 1,181,180</u> |

NOTE G – FUNCTIONAL EXPENSES

Functional expenses for the year ended June 30, 2019, are as follows:

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2019

NOTE G – FUNCTIONAL EXPENSES - CONTINUED

| | <u>PROGRAM SERVICES</u> | <u>SUPPORTIVE SERVICES</u> | | |
|-----------------------|--|-----------------------------------|--------------------|---------------------|
| | Sexual Violence Prevention and Intervention Services and Education | <u>Management and General</u> | <u>Fundraising</u> | <u>TOTAL</u> |
| Salaries | \$ 385,253 | \$ 24,209 | \$ 9,684 | \$ 419,146 |
| Fringe benefits | 109,697 | 6,539 | 2,615 | 118,851 |
| Travel | 79,630 | - | - | 79,630 |
| Operating services | 91,073 | 11,252 | - | 102,325 |
| Supplies | 6,077 | 601 | - | 6,678 |
| Professional services | 83,309 | 29,804 | 5,807 | 118,920 |
| Equipment expense | - | 7,336 | - | 7,336 |
| Subrecipient costs | 309,506 | - | - | 309,506 |
| Other costs | - | 6,634 | 447 | 7,081 |
| Total expenses | <u>\$ 1,064,545</u> | <u>\$ 86,375</u> | <u>\$ 18,553</u> | <u>\$ 1,169,473</u> |

NOTE H - BOARD OF DIRECTORS COMPENSATION

The board of directors is a voluntary board; therefore, no compensation was paid to any board member during the year ended June 30, 2019.

NOTE I - CONCENTRATION OF CREDIT RISK

As of June 30, 2019, the unsecured cash balance consists of the following:

| | |
|--|--------------------------|
| Bank balance, including outstanding checks | \$ 77,845 |
| LESS: FDIC insurance | <u>< 250,000 ></u> |
| Unsecured balance | <u>\$ -</u> |

NOTE J – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Louisiana Foundation Against Sexual Assault, Inc. maintains operating revenue for general expenditures. The current financial assets totaling \$445,371 at June 30, 2019 are available for general expenditures, that is, without donor or other restrictions limiting their use.

As part of Louisiana Foundation Against Sexual Assault, Inc.'s liquidity management, it primarily maintains its current assets in cash and cash equivalents, and grants receivable.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS – CONTINUED

June 30, 2019

NOTE K - ECONOMIC DEPENDENCY

Louisiana Foundation Against Sexual Assault, Inc. received the majority of its revenue from funds provided through grants administered by the State of Louisiana. The grant amounts are appropriated each year by the federal and state government. If significant budget cuts are made at the federal and/or state level, the amount of the funds the corporation receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the corporation's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the corporation will receive in the next fiscal year.

The corporation generates approximately 40% of its revenue from one grantor.

Ninety-one percent (91%) of grants receivable are from Louisiana governmental agencies.

SUPPLEMENTAL SCHEDULES

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2019

| <u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM CLUSTER TITLE</u> | <u>FEDERAL CFDA NUMBER</u> | <u>PASS THROUGH ENTITY IDENTIFYING NUMBER</u> | <u>TOTAL FEDERAL EXPENDITURES</u> | <u>EXPENDITURES TO SUBSCRIPTION</u> |
|--|------------------------------------|---|---|---|
| U.S. DEPARTMENT OF JUSTICE: | | | | |
| Direct programs: | | | | |
| FY18 State Sexual Assault Coalition Grant | 16.556 | - | \$ 196,148 | \$ - |
| Subtotal Department of Justice direct programs | | | <u>\$ 196,148</u> | <u>-</u> |
| Pass-through programs from: | | | | |
| Louisiana Commission on Law Enforcement and Administration of Criminal Justice: | | | | |
| Victim Outreach Program 8 | 16.575 | 3775 | 33,405 | - |
| Victim Outreach Program 8 | 16.575 | 4317 | 27,993 | - |
| SASP Administrative Funds | 16.017 | 4085 | 15,576 | - |
| Legal Advocacy Program 8 | 16.575 | 4319 | 75,304 | - |
| Justice System Program 8 | 16.575 | 3778 | 56,669 | - |
| Campus Sexual Assault Program 8 | 16.575 | 4318 | 48,922 | - |
| Justice System Program 8 | 16.575 | 4788 | 5,768 | - |
| Legal Advocacy Program 8 | 16.575 | 3777 | 56,399 | - |
| Campus Sexual Assault Program 8 | 16.575 | 3776 | 53,161 | - |
| Prison Rape Elimination Act (PREA) Program | 16.588 | 4815 | 10,446 | - |
| Prison Rape Elimination Act (PREA) Program | 16.588 | 4124 | 75,214 | - |
| Justice System Program Coordinator Program 8 | 16.575 | 4320 | <u>50,700</u> | <u>-</u> |
| Subtotal Department of Justice pass-through programs | | | <u>509,557</u> | <u>-</u> |
| TOTAL U.S. DEPARTMENT OF JUSTICE | | | <u>705,705</u> | <u>-</u> |
| U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | |
| Pass-through programs from State of Louisiana: | | | | |
| Department of Health and Hospitals – Office of Public Health: | | | | |
| Rape Prevention and Education | 93.136 | 2000272824 | <u>475,475</u> | <u>309,506</u> |
| TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | <u>475,475</u> | <u>309,506</u> |
| Total Federal Expenditures | | | <u>\$ 1,181,180</u> | <u>\$ 309,506</u> |

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

For the year ended June 30, 2019

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Louisiana Foundation Against Sexual Assault, Inc. under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Par 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Louisiana Foundation Against Sexual Assault, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Louisiana Foundation Against Sexual Assault, Inc.

B. Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

C. Indirect Cost Rate

Louisiana Foundation Against Sexual Assault, Inc. has not elected to use the 10% de minimis indirect cost rate.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the year ended June 30, 2019

Agency Head: Rafael DeCastro

| <u>Purpose</u> | <u>Amount</u> |
|----------------------------|---------------|
| Salary | \$ 80,697 |
| Benefits - hospitalization | 20,271 |
| Benefits - retirement | 5,705 |
| Travel | 24,213 |

Justin J. Scanlan, C.P.A., I.T.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE.

NEW ORLEANS, LOUISIANA 70122

TELEPHONE: (504) 288-0050

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*

Board of Directors

Louisiana Foundation Against Sexual Assault, Inc.

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 Louisiana Foundation Against Sexual Assault, Inc. (non-profit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 15, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Louisiana Foundation Against Sexual Assault, Inc.'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 Louisiana Foundation Against Sexual Assault, Inc.'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Louisiana Foundation Against Sexual Assault, Inc.'s financial statements are free of 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 the organization'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 organization'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.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
October 15, 2019

Justin J. Scanlan, C.P.A., P.C.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Louisiana Foundation Against Sexual Assault, Inc.

Report on Compliance for Each Major Federal Program

We have audited Louisiana Foundation Against Sexual Assault, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Louisiana Foundation Against Sexual Assault, Inc.'s major federal programs for the year ended June 30, 2019. Louisiana Foundation Against Sexual Assault, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Louisiana Foundation Against Sexual Assault, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Louisiana Foundation Against Sexual Assault, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Louisiana Foundation Against Sexual Assault, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Louisiana Foundation Against Sexual Assault, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of Louisiana Foundation Against Sexual Assault, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Louisiana Foundation Against Sexual Assault, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate to the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Louisiana Foundation Against Sexual Assault, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report 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.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
October 15, 2019

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2019

A. 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? yes X none reported
- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? yes X no

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------|---|
| 93.136 | U. S. Department of Health and Human Services: Passed through the State of Louisiana Department of Health and Human Hospitals - Office of Public Health Rape Prevention and Education |

Dollar threshold used to distinguish between type A and B programs: \$ 750,000

A Type B program was classified as a major program to satisfy the 40% testing rules.

Auditee qualified as low-risk auditee? yes X no

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2019

B. FINANCIAL STATEMENTS FINDINGS

There were no findings related to the financial statements for the year ended June 30, 2019.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEWIDE AGREED-UPON PROCEDURES

For the year ended June 30, 2019

Justin J. Scanlan, C.P.A., L.L.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
TELEPHONE: (504) 288-0050

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Louisiana Foundation Against Sexual Assault, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Louisiana Foundation Against Sexual Assault, Inc. and the Louisiana Legislative Auditor on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal year July 1, 2018 through June 30, 2019. The Louisiana Foundation Against Sexual Assault, Inc.'s management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

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

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.

- 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 card, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- 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.

No exceptions were noted.

Board or Finance Committee

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:

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.

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 10% of the entity's collections during the fiscal year.*

For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted 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 unrestricted fund balance in the general fund.

Not applicable – There were no exceptions in the preceding year.

Bank Reconciliations

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 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 account selected, and observe that:

Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

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

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.

No exceptions were noted.

Collections

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).

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:

Employees that are responsible for cash collections do not share cash drawers/registers. 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 be deposit.

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.

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.

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

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:

Observe that receipts are sequentially pre-numbered.

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

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

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).

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

Not applicable - There were no exceptions in the preceding year.

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

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).

For each location selected, 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 not written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

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

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.

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.

For each location selected above also, 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:

Observe that the disbursement matched the related original invoice/billing statement.

Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties, as applicable.

No exceptions were noted.

Credit Cards

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.

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:

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, 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.]]

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

Using the monthly statements or combined statements selected, 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 transactions, 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.

Not applicable – There were no exceptions in the preceding year.

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

Obtain from management a listing of all travel and 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:

If reimbursed using a pre 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).

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

Observe that each reimbursement 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.

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

Not applicable - There were no exceptions in the preceding year.

Contracts

Obtain from management a listing of all agreements/contracts for professional services, material 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:

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.

Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

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.

Not applicable - There were no exceptions in the preceding year.

Payroll and Personnel

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

Randomly select one pay period during the fiscal period. For the 5 employees/officials selected, obtain attendance records and leave documentation for the pay period and:

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.)

Observe that supervisors approved the attendance and leave of the selected employees/officials.

Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

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 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' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

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.

Not applicable - There were no exceptions in the preceding year.

Ethics

Non-Profit organizations are excluded from the Ethics Statewide Agreed-Upon Procedures.

Debt Service

Non-Profit organizations are excluded from the Debt Service Statewide Agreed-Upon Procedures.

Other

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.

Observe that the entity has posted on its premisses and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abusive of public funds.

Not applicable - There were no exceptions in the preceding year.

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 control and compliance areas identified in the State Agreed-Upon Procedures. 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 control and compliance areas identified in the State Agreed-Upon Procedures, 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 Louisiana Legislative Auditor as a public document.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
October 15, 2019