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Certified Public Accountants and Consultants

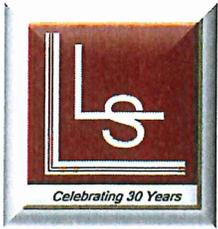
YWCA OF GREATER BATON ROUGE

**AUDITED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT**

FOR THE FISCAL YEAR ENDED MARCH 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
YWCA of Greater Baton Rouge
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of YWCA of Greater Baton Rouge (a nonprofit organization), which comprise the statement of financial position as of March 31, 2019, and the related statements of activities, functional expenses, and cash flows for the fiscal 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.

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Continued,

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA of Greater Baton Rouge as of March 31, 2019, and the changes in its net assets and its cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards on page 21, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Compensation, Benefits, and Other Payments to the Agency Head on page 23 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 24, 2019, on our consideration of YWCA of Greater Baton Rouge'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 YWCA of Greater Baton Rouge'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 YWCA of Greater Baton Rouge's internal control over financial reporting and compliance



Luther Speight & Company CPAs
Baton Rouge, Louisiana
September 24, 2019

YWCA of Greater Baton Rouge
Statement of Financial Position
March 31, 2019

ASSETS

Current Assets		
Cash and Cash Equivalents (Note 1)	\$	101,543
Government Grants Receivable		179,062
Other Current Assets		23,999
Property and Equipment, Net (Note 2)		36,483
TOTAL ASSETS		<u>341,087</u>

LIABILITIES

Current Liabilities		
Accounts Payable		66,797
Accrued Expenses		9,250
Accrued Payroll		29,614
Compensated Absences		80,196
Note Payable to Bank (Note 3)		100,501
TOTAL LIABILITIES		<u>286,358</u>

NET ASSETS

Without Donor Restrictions		54,729
TOTAL NET ASSETS		<u>54,729</u>

TOTAL LIABILITIES AND NET ASSETS	\$	<u>341,087</u>
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The accompanying notes are an integral part of these financial statements.

YWCA of Greater Baton Rouge
Statement of Activities
For the Fiscal Year Ended March 31, 2019

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Support			
Government Grants and Contracts	2,368,471	\$ -	\$ 2,368,471
Contributions-In-Kind (Note 9)	350,343	-	350,343
Private Grants and Contracts	220,644	-	220,644
Other Support	6,981	-	6,981
Released From Restrictions	<u>5,252</u>	<u>(5,252)</u>	<u>-</u>
Total Support	2,951,691	(5,252)	2,946,439
Revenue			
Membership Dues	435	-	435
Fundraising	<u>9,641</u>	<u>-</u>	<u>9,641</u>
Total Revenue	<u>10,076</u>	<u>-</u>	<u>10,076</u>
TOTAL SUPPORT AND REVENUE	<u>2,961,767</u>	<u>(5,252)</u>	<u>2,956,515</u>
EXPENSES			
Program Services	2,437,534	-	2,437,534
Management and General	<u>541,583</u>	<u>-</u>	<u>541,583</u>
TOTAL EXPENSES	<u>2,979,117</u>	<u>-</u>	<u>2,979,117</u>
Change in Net Assets	(17,350)	(5,252)	(22,602)
NET ASSETS, BEGINNING OF YEAR	<u>72,079</u>	<u>5,252</u>	<u>77,331</u>
NET ASSETS, END OF YEAR	<u><u>54,729</u></u>	<u><u>-</u></u>	<u><u>54,729</u></u>

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

YWCA of Greater Baton Rouge
Statement of Cash Flows
For the Fiscal Year Ended March 31, 2019

Cash Flows from Operating Activities	
Change in Net Assets	\$ (22,602)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) Provided by Operating Activities:	
Depreciation	11,113
Net Changes in Assets and Liabilities:	
Decrease in Grant Receivables	10,994
Increase in Other Current Assets	(58)
Increase in Accounts Payable	15,319
Increase in Accrued Expenses	9,250
Increase in Payroll Liabilities	16,273
Total Adjustments	<u>62,891</u>
Net Cash Provided by Operating Activities	<u>40,289</u>
Net Change in Cash and Cash Equivalents	40,289
Cash and Cash Equivalents - Beginning of Period	<u>61,254</u>
Cash and Cash Equivalents - End of Period	<u><u>\$ 101,543</u></u>

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

YWCA of Greater Baton Rouge
Statement of Functional Expenses
For the Fiscal Year Ended March 31, 2019

	Program Services	Management and General	Total
Salaries	\$ 1,494,626	\$ 19,574	\$ 1,514,200
In-Kind Services	-	350,343	350,343
Fringe Benefits	254,916	4,344	259,260
Professional Services	73,222	46,033	119,255
Supplies	134,774	21,855	156,629
Payroll Taxes	118,862	2,178	121,040
Occupancy	108,240	-	108,240
Repairs & Maintenance	98,536	423	98,959
Staff Development	52,610	330	52,940
Contract Services	31,744	7,000	38,744
Insurance	24,297	2,092	26,389
Travel Expenses	5,868	14,671	20,539
Bail Bond Fees	-	19,394	19,394
Office Expense	14,819	3,672	18,491
YWCA USA Dues	3,782	11,347	15,129
Telecommunications	8,273	782	9,055
Meetings/Conferences	4,892	4,122	9,014
Publicity/Advertising	2,500	5,461	7,961
Volunteer/Staff Recognition	1,641	4,618	6,259
Interest and Bank Charges	51	6,106	6,157
Dues and Subscriptions	572	5,472	6,044
Parent Services & Activities	3,309	653	3,962
Total Expenses	<u>2,437,534</u>	<u>530,470</u>	<u>2,968,004</u>
Before Depreciation	2,437,534	530,470	2,968,004
Depreciation	<u>-</u>	<u>11,113</u>	<u>11,113</u>
Total Expenses	<u><u>\$ 2,437,534</u></u>	<u><u>\$ 541,583</u></u>	<u><u>\$ 2,979,117</u></u>

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

YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

YWCA of Greater Baton Rouge (the Organization) is a Louisiana non-profit corporation organized for the purposes of advancing the spiritual, intellectual, mental, social, cultural and physical condition of women and girls in the Baton Rouge area. The Organization is associated with the Young Women's Christian Association of the United States of America. The Organization is also a participating agency of and receives a portion of its annual funding needs from the Capital Area United Way. Other principal sources of revenues are grants, annual membership-dues, donations and fees charged for various program activities. The Organization is exempt from Federal Income Taxes under Section 501(c)3 of the Internal Revenue Code.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

In accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958, which established standards for external financial reporting by not-for-profit organizations, the Organization classifies resources for accounting and reporting purposes into two net asset categories which are with donor restrictions and without donor restrictions. A description of these two net asset categories is as follows:

- Net assets without donor restrictions include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of the Organization are included in this category. The Organization has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of the Organization and therefore, their policy is to record those net assets as without donor restrictions.
- Net assets with donor restrictions include funds that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. When a restriction expires, 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

YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes, are reported as net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose of 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the organization considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.

Uncollectible Accounts, Grants Receivable and Promises to Give

The Organization uses the direct charge-off method whereby uncollectible accounts are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. The Organization's threshold for capitalization is \$5,000. Depreciation is computed using the straight-line method for financial reporting purposes over the following estimated useful lives:

Buildings and Grounds	5 – 15 years
Vehicles	5 – 7 years
Furniture and Equipment	3 – 10 years
Leasehold Improvements	10 years

YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

Donated Assets and Services

Land, buildings and equipment received as donations are recognized in the accompanying financial statements at their estimated fair market value at the date they are received. The Organization recognizes contribution revenue for certain services received at the fair value of those services provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Concentration of Credit

The Organization maintains cash accounts with one commercial bank. The balances did not exceed the federal insured amount of \$250,000 during the fiscal year ended March 31, 2019.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted based on the time spent on each program.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code and classified by the Internal Revenue Services as other than a private foundation.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending December 31, 2016, 2017 and 2018 are subject to examination by the IRS, generally for three years after they were filed.

Recent Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards update No. 2016-14, Not-For-Profit Entities (Topic 958) to improve the current net asset classification requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. The amendment is effective for fiscal years beginning after December 15, 2017. The Organization has adopted the new ASU, which effects the presentation of the financial statements and the disclosures in the footnotes. Management has implemented the changes and adjusted the presentation in the financial statements and footnotes accordingly.

YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

Recent Accounting Pronouncements (Continued)

In June 2018, the FASB issued Accounting Standards Update No. 2018, Not-For-Profit Entities (Topic 958) to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this Update should assist entities in (1) evaluating whether transactions should be accounted for as contributions or as exchange transactions subject to other guidance and (2) determining whether a contribution is conditional. The amendment is effective for fiscal years beginning after December 15, 2018. Early adoption is permitted, but management has not adopted the new update for the fiscal year ended December 31, 2018.

NOTE 2 – PROPERTY AND EQUIPMENT

A summary of property and equipment is as follows:

Buildings and Grounds	\$	348,114
Vehicles		27,690
Furniture and Equipment		146,708
Leasehold Improvements		<u>39,766</u>
		562,278
Accumulated Depreciation		<u>(525,795)</u>
Net Book Value	\$	<u>36,483</u>

Depreciation expense for the fiscal year ended March 31, 2019 was \$11,113.

NOTE 3 – NOTES PAYABLE

Short-term notes payable in the amount of \$100,501 at March 31, 2019 consisted of a bank revolving line of credit of \$100,000 at the bank's index rate (6% at March 31, 2019).

YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

NOTE 4 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and Cash Equivalents	\$	86,543
Government Grants Receivable		179,062
		\$ 265,605

NOTE 5 – LEASE COMMITMENTS

The Organization leases three (3) buildings under operating leases. The Organization also rents storage facilities and equipment on a daily basis as needed. Total rent expense and allocated costs for the fiscal year ended March 31, 2019 was \$95,651.

The future minimum lease payments are as follows:

2020	\$	39,400
2021		33,500
2022		6,000
2023		6,000
2024		6,000
Thereafter		1,500
Total	\$	92,400

NOTE 6 – ECONOMIC DEPENDENCY

The Organization receives the majority of its revenues from funds provided through various state and federal grants. During the fiscal year ended March 31, 2019, approximately 80% of total support and revenue was received from the Federal and State Grants. The grant amounts are appropriated each year by federal and state governments. If significant budget cuts are made at the federal, state and/or local level, the amount of funds the Organization receives could be reduced significantly and could have an adverse impact on its operations.

YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

NOTE 7 – RETIREMENT PLAN

Employees of the organization who meet minimum service requirements are eligible to participate in the National YWCA Retirement Fund. The Plan is a cash balance defined benefit plan. Employee contributions are optional. Employees are allowed to make voluntary contributions based on their compensation up to certain maximum limits. During the fiscal year ended March 31, 2019, the Organization contributed \$60,839 to the retirement plans, and these contributions are included as employee benefits in the accompanying financial statements.

The actuarial present value of the benefit obligation and fair value of plan assets are not available separately for each employer that participates in the plan.

NOTE 8 – FEDERAL COMPLIANCE CONTINGENCIES

The Organization receives a portion of its revenues from government grants and contracts, all of which are subject to audit by the governments. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable cost. Management is of the opinion that no material liability will result from such audits.

NOTE 9 – IN-KIND CONTRIBUTIONS

During the fiscal year ended March 31, 2019, the Organization received the following non-cash donations of material, services and free use of facilities that have been reflected in the accompanying financial statements in Support and Revenues as Contributions-In-Kind and Functional Expenses as Donations-in-Kind:

Volunteers, Interns, and Professional Services	\$ 143,726
Free or Discounted Use of Facilities	84,057
Equipment Usage and Maintenance Services	52,970
Supplies	11,771
Other Items	57,819
Total In-Kind Contributions	<u>\$ 350,343</u>

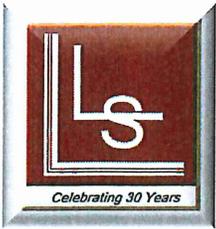
YWCA OF GREATER BATON ROUGE
Notes to the Financial Statements
March 31, 2019

NOTE 9 – IN-KIND CONTRIBUTIONS (CONTINUED)

Generally accepted accounting principles require that only contributions of services received that create or enhance a non-financial asset or require a specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of these financial standards are different than the in-kind requirements of the Organization's grant awards.

NOTE 10 – SUBSEQUENT EVENTS

Management of the Organization has evaluated all subsequent events through September 24, 2019, the date the financial statements were available to be issued. No additional disclosures are considered necessary.



Luther Speight & Company
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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
YWCA of Greater Baton Rouge
Baton Rouge, Louisiana

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 YWCA of Greater Baton Rouge (a nonprofit organization), which comprise the statement of financial position as of March 31, 2019, and the related statements of activities, functional expenses, and cash flows for the fiscal year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 24, 2019.

Internal Control Over Financial Reporting

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

Continued,

Compliance and Other Matters

As part of obtaining reasonable assurance about whether YWCA of Greater Baton Rouge’s financial statements are free from material misstatements, 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.

A handwritten signature in blue ink, appearing to read "Luther Speight & Company CPAs".

Luther Speight & Company CPAs
Baton Rouge, Louisiana
September 24, 2019



Luther Speight & Company
Certified Public Accountants and Consultants

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

To the Board of Directors of
YWCA of Greater Baton Rouge
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

We have audited YWCA of Greater Baton Rouge's compliance with the type of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on YWCA of Greater Baton Rouge's major federal program for the fiscal year ended March 31, 2019. YWCA of Greater Baton Rouge's major federal program is 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 the YWCA of Greater Baton Rouge's major federal program 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* 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 YWCA of Greater Baton Rouge'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 the major federal program. However, our audit does not provide a legal determination of YWCA of Greater Baton Rouge's compliance.

Opinion on Each Major Federal Program

In our opinion, YWCA of Greater Baton Rouge complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the fiscal year ended March 31, 2019.

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Continued,

Report on Internal Control Over Compliance

Management of the YWCA of Greater Baton Rouge 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 YWCA of Greater Baton Rouge's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance in accordance with the Uniform Guidance, but not for the purpose of express an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of YWCA of Greater Baton Rouge'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 purpose 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.

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.



Luther Speight & Company CPAs
Baton Rouge, LA
September 24, 2019

YWCA OF GREATER BATON ROUGE
Summary of Auditor's Results
March 31, 2019

Section I – Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weaknesses identified? ___yes X no
Significant deficiencies identified
not considered to be material weaknesses? ___yes X no

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(s) identified
not considered to be material weaknesses? ___yes X no

An unqualified opinion was issued on compliance.

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?

___yes X no

The major programs for the year ended March 31, 2019 were as follows:

1. Early Head Start - CFDA 93.600

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as a low-risk auditee.

YWCA OF GREATER BATON ROUGE
Schedule of Findings and Questioned Costs
March 31, 2019

We noted no findings during the current audit period.

YWCA OF GREATER BATON ROUGE
Schedule of Prior Year Findings
March 31, 2019

We noted no findings during the prior year audit period.

YWCA of Greater Baton Rouge
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended March 31, 2019

Grantor/State Pass-through/ Program name Location of Project	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services		
Administration of Children and Families		
Early Head Start	93.600	\$ 2,259,809
Office of Public Health		
SiHLE Intervention	93.092	<u>44,231</u>
Total U.S. Department of Health and Human Services		2,304,040
U.S. Department of Agriculture		
Child and Adult Care Food Program	10.558	<u>107,545</u>
Total Federal Expenditures		<u><u>\$ 2,411,585</u></u>

See accompanying notes to the schedule of expenditures of federal awards.

YWCA OF GREATER BATON ROUGE
Notes to Schedule of Expenditure of Federal Awards
For the Fiscal Year Ended March 31, 2019

NOTE 1 – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes federal grant activity of the YWCA of Greater Baton Rouge and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE 2 – PRESENTATION

The accompanying schedule of expenditures of federal awards covers the fiscal year ended March 31, 2019.

YWCA of Greater Baton Rouge
Schedule of Compensation, Benefits, and Other Payments
to Agency Head or Chief Executive Officer
For the Fiscal Year Ended March 31, 2019

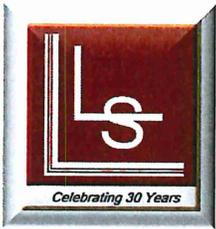
Agency Head Name and Title: Dianna Payton, CEO

Purpose		Amount
Salary	\$	86,684
Benefits-FICA		5,374
Benefits-insurance		3,339
Benefits-retirement		-
Benefits-executive parking		-
Car allowance		-
vehicle provided by government		-
Per diem		-
Reimbursements		-
Travel		-
Registration fees		-
Conference travel		-
Continuing professional education fees		-
Housing		-
Unvouchered expenses		-
Special meals		-



Luther Speight & Company
Certified Public Accountants and Consultants

YWCA OF GREATER BATON ROUGE
AGREED UPON PROCEDURES REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2019



Luther Speight & Company
Certified Public Accountants and Consultants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
YWCA of Greater Baton Rouge
And the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by YWCA of Greater Baton Rouge (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 April 1, 2018 through March 31, 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 findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):

- a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget

Results: The Entity's written policies and procedures appropriately addresses the above items.

- 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

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Memphis Office: 119 S. Main Street, Suite 500/Memphis, TN 38103/(901)322-4238

Atlanta Office: Five Concourse Pkwy/Atlanta, GA 30328/(770)399-8808

orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

Results: The Entity's written policies and procedures appropriately addresses the above items except for how vendors are added to the vendor list. However, the Entity's segregation of duties provides a preventative measure for adding vendors. Since the CEO signs the checks, she does not have access to the accounting system to be able to add a vendor. In addition, the Entity has adequate policies regarding the selection of contractors and vendors.

- c) **Disbursements**, including processing, reviewing, and approving

Results: The Entity's written policies and procedures appropriately addresses the above items.

- 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).

Results: The Entity's written policies and procedures appropriately addresses the above items.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

Results: The Entity's written policies and procedures appropriately addresses the above items.

- 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

Results: The Entity's written policies and procedures appropriately addresses the above items except for legal review of contracts. However, while legal counsel and review is not solicited on basic contracts for lease addendums and basic day to day operations, contracts of a more complicated and binding nature, the Entity seeks legal counsel before signing those contracts. In addition, the policies and procedures provide steps for selecting contractors and vendors.

- 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)

Results: The Entity's written policies and procedures appropriately addresses the above items.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Results: The Entity's written policies and procedures appropriately addresses the above items except for dollar thresholds by category of expense. However, the Entity follows the State of Louisiana travel per diem policy for travel per diems and the IRS guidelines for mileage reimbursement. We reviewed those policies and it appropriately addresses the dollar thresholds.

- 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.

Results: Not applicable to the Entity.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Results: Not applicable to the Entity.

- 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: The Entity's written policies and procedures does not address the above items.

Management's Response: All critical data is backed up nightly to a secure data center in the cloud. Our contract IT Company has policies and procedures in place to test backups quarterly. The accounting software is on the cloud with "cloud jumper" who has corporate backup policies and procedures in place. The IT Company protects all workstations with the latest business grade antivirus software and also keeps all workstations and servers up to date with the latest software patches. We also have emergency procedures in place to continue operations after a critical event.

Board or Finance Committee

Results: We noted no findings in this AUP section for the fifteen months ending March 31, 2018. Since the Organization has not changed committee procedures significantly, we have skipped the Board Committee AUP steps for the year ended March 31, 2019.

Bank Reconciliations

3. 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 selected each account, and observe that:

Results: Listing of client bank accounts and management representation that the listing is complete were obtained. Since the entity only has 4 bank accounts, we selected all accounts for testing.

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

Results: We noted that all balance sheet reconciliations are reviewed and approved by the CEO on a monthly basis. However, the preparer of the reconciliations did not sign and date the document so there was no visible evidence that the reconciliations were prepared within 2 months of year-end.

Management's Response: As part of the month end reconciliation process, the CFO reconciles all Balance Sheet Accounts. The recons are then printed and attached to a copy of the balance sheet report. The CFO and CEO review all the balances and the CEO will sign the Balance sheet indicating it has been reviewed. Going forward, the CFO will sign and date the balance sheet as well.

- 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

Results: We noted that the CEO reviews all monthly reconciliations, but only signs the printed balance sheet (bank reconciliations are attached) and the monthly bank statements. The signatures are not dated.

Management's Response: As part of the month end reconciliation process, the CFO reconciles all Balance Sheet Accounts. The recons are then printed and attached to a copy of the balance sheet report. The CFO and CEO review all the balances and the CEO will sign the Balance sheet indicating it has been reviewed. Going forward, the CFO will sign and date the balance sheet as well.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: We noted no outstanding reconciling items that were more than 12 months old.

Collections

Results: We noted no findings in this AUP section for the fifteen months ending March 31, 2018. Since the Organization has not changed their Collections policies, we will skip the collections AUP steps for the year ended March 31, 2019.

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

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

Results: We noted only one location processes payments.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

Results: We noted that purchase request forms are approved and signed by the CEO.

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

Results: We noted that the CEO approves and signs all checks while a separate employee processes the payments.

- 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.

Results: We noted that employees responsible for processing payments can add vendors. However, all payments are approved and signed off on by the CEO so vendors are reviewed on a regular basis.

- 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.

Results: No findings noted.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

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

Results: No exceptions noted.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: No exceptions noted.

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

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

Results: We obtained a listing of all active credit cards and management's representation that the listing is complete.

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

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) 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.]]

Results: We noted the credit card statements are signed off on by the CEO. In addition, the credit card transactions come with a Purchase Request/Order form that is authorized by the CEO.

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

Results: We noted no finance charges or late fees on the selected statement.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Results: No exceptions or findings noted.

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

Results: We noted no findings in this AUP section for the fifteen months ending March 31, 2018. Since the Organization has not changed their travel policies and reimbursement procedures, we will skip the travel expense AUP steps for the year ended March 31, 2019.

Contracts

Results: We noted no findings in this AUP section for the fifteen months ending March 31, 2018. Since the Organization has not changed their contract policies and procedures, we will skip the contract AUP steps for the year ended March 31, 2019.

Payroll and Personnel

Results: *We noted no findings in our testing of this AUP section for the fifteen months ending March 31, 2018. Since the Organization has not made significant changes to their payroll policies and procedures, we will skip the payroll and personnel AUP steps for the year ended March 31, 2019.*

Ethics

Results: Not applicable as the entity is a non-profit.

Debt Service

Results: Not applicable as the entity is a non-profit.

Other

Results: We noted no findings in our testing of this AUP section for the fifteen months ending March 31, 2018. Since the Organization has not made significant changes to their misappropriation policies and fraud procedures, we will skip this AUP step for the year ended March 31, 2019.

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.

A handwritten signature in blue ink, appearing to read "Luther Speight & Company CPAs". The signature is stylized and cursive.

Luther Speight & Company CPAs
New Orleans, Louisiana
September 24, 2019