

**ST. BERNARD  
BATTERED WOMEN'S PROGRAM, INC.**

Financial Statements

Year Ended June 30, 2019

## TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statement of financial position	4
Statement of activities	5
Statement of functional expenses	6
Statement of cash flows	7
Notes to financial statements	8-14
SUPPLEMENTAL INFORMATION	
Comparative statement of financial position	16
Comparative statement of activities	17
Comparative statement of functional expenses	18
Comparative statement of cash flows	19
INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS	
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>Governmental Auditing Standards</i>	21-22
Schedule of audit results	23
Summary schedule of prior audit findings	24

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Victor R. Slaven, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Brad E. Kolder, CPA, JD\*  
Stephen J. Anderson, CPA\*  
Christine C. Doucet, CPA  
Wanda F. Arcement, CPA, CVA  
Bryan K. Joubert, CPA  
Matthew E. Margaglio, CPA  
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd.  
Lafayette, LA 70508  
Phone (337) 232-4141

11929 Bricksome Ave.  
Baton Rouge, LA 70816  
Phone (225) 293-8300

1428 Metro Dr.  
Alexandria, LA 71301  
Phone (318) 442-4421

450 E. Main St.  
New Iberia, LA 70560  
Phone (337) 367-9204

200 S. Main St.  
Abbeville, LA 70510  
Phone (337) 893-7944

1201 David Dr.  
Morgan City, LA 70381  
Phone (985) 384-2020

434 E. Main St.  
Ville Platte, LA 70586  
Phone (337) 363-2792

332 W. Sixth Ave.  
Oberlin, LA 70655  
Phone (337) 639-4737

\* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
St. Bernard Battered Women's Program, Inc.  
Chalmette, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the St. Bernard Battered Women's Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the St. Bernard Battered Women's Program, Inc.'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 St. Bernard Battered Women's Program, Inc.'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 the St. Bernard Battered Women's Program, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

### *Change in Accounting Principle*

As discussed in Note 1 to the financial statements, the St. Bernard Battered Women's Program, Inc. adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on the supplemental information.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2019 on our consideration of the St. Bernard Battered Women's Program, 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 the effectiveness of the St. Bernard Battered Women's Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Bernard Battered Women's Program, Inc.'s internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
November 27, 2019

## **FINANCIAL STATEMENTS**

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Financial Position

June 30, 2019

ASSETS

Current assets	
Cash and cash equivalents	\$ 280,661
Investments	245,043
Due from other agencies	112,919
Other receivables	1,174
Prepaid expenses	<u>1,054</u>
Total current assets	640,851
Fixed assets	
Property and equipment, net	<u>752,733</u>
Total assets	<u>\$ 1,393,584</u>

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	\$ 2,618
Accrued liabilities	<u>28,745</u>
Total current liabilities	<u>31,363</u>
Net assets	
Without donor restrictions	1,328,462
With donor restrictions	<u>33,759</u>
Total net assets	<u>1,362,221</u>
Total liabilities and net assets	<u>\$ 1,393,584</u>

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

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Activities  
Year Ended June 30, 2019

Net Assets Without Donor Restrictions	
Revenue and support	
Federal, state and local grants and contracts	\$ 352,803
United Way	86,009
Contributions	54,588
Fundraising	18,726
Net assets released from restrictions	<u>123,426</u>
Total unrestricted revenue and support	<u>635,552</u>
Expenses	
Program services	537,228
Supporting services	
Management and general	84,478
Fundraising	<u>428</u>
Total expenses	<u>622,134</u>
Increase in net assets without donor restrictions	<u>13,418</u>
Net Assets With Donor Restrictions	
Federal, state and local grants and contracts	89,222
Other grants and contracts	24,075
Interest income	5,439
Net assets released from restrictions	<u>(123,426)</u>
Decrease in net assets with donor restrictions	<u>(4,690)</u>
Change in net assets	8,728
Net assets, beginning	<u>1,353,493</u>
Net assets, ending	<u>\$ 1,362,221</u>

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

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Functional Expenses  
Year Ended June 30, 2019

	Program Services	Supporting Services		
	Victim Support and Shelter	Management and General	Fundraising	Total
Salaries	\$ 317,691	\$ 50,860	\$ -	\$ 368,551
Payroll taxes	25,785	4,128	-	29,913
Accounting and audit fees	18,790	2,615	-	21,405
Bank charges	-	48	-	48
Client services expenses	11,325	-	-	11,325
Client transportation expenses	766	-	-	766
Depreciation	29,608	12,689	-	42,297
Dues and subscriptions	1,598	-	-	1,598
Equipment expense	6,656	740	-	7,396
Equipment rental	3,384	376	-	3,760
Food supplies	17,802	-	-	17,802
Fundraising expenses	-	-	428	428
Insurance	37,749	7,261	-	45,010
Licenses and permits	65	-	-	65
Office supplies and expense	10,805	1,156	-	11,961
Operating supplies	4,349	415	-	4,764
Other professional fees	13,144	-	-	13,144
Postage and delivery	290	32	-	322
Repairs and maintenance	10,419	1,158	-	11,577
Telephone	6,639	738	-	7,377
Training and conferences	2,992	332	-	3,324
Travel	1,592	177	-	1,769
Utilities	15,779	1,753	-	17,532
	<u>\$ 537,228</u>	<u>\$ 84,478</u>	<u>\$ 428</u>	<u>\$ 622,134</u>

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

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Cash Flows  
Year Ended June 30, 2019

Cash flows from operating activities	
Change in net assets	\$ 8,728
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	42,297
Decrease in due from other agencies	26,105
Increase in other receivables	(288)
Increase in prepaid expenses	(428)
Increase in accounts payable	1,089
Increase in accrued liabilities	<u>789</u>
Net cash provided by operating activities	<u>78,292</u>
Cash flows from investing activities	
Purchases of certificates of deposit	(245,043)
Proceeds from maturities of certificates of deposit	241,381
Facility improvements and renovations	<u>(10,922)</u>
Net cash used by investing activities	<u>(14,584)</u>
Net increase in cash	63,708
Cash at beginning of year	<u>216,953</u>
Cash at end of year	<u>\$ 280,661</u>

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

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements

(1) Nature of Organization and Significant Accounting Policies

A. Nature of Organization

St. Bernard Battered Women's Program, Inc. (SBBWP) is a non-profit organization that provides a wide range of services to victims of domestic violence in St. Bernard and Plaquemines Parishes. Its core service is providing shelter and support for adult and child victims of domestic violence. In addition, a 24-hour crisis line, individual assessment, and case management are provided. SBBWP is also actively involved with community education including law enforcement training and support groups. SBBWP coordinates domestic abuse intervention through the court system and through services to child victims of domestic violence.

The accompanying financial statements of SBBWP have been prepared on the accrual basis of accounting.

B. Economic Dependence

SBBWP receives a significant portion of its funding through the State of Louisiana Department of Children and Family Services. Should the state agency cut its funding or disallow items, SBBWP may be required to reduce its services.

C. Significant Accounting Policies

Financial statement presentation

The financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Substantially all revenues are recognized when earned. Expenses are recognized in the period incurred.

SBBWP has adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities*, which modifies the presentation of net assets on the basic financial statements. In accordance with FASB ASU 2016-14, net assets are presented in two classes — net assets without donor restrictions and net assets with donor restrictions. Presentation in a particular net asset class is based on the existence or absence of donor-imposed restrictions on the use of the net assets. Accordingly, the net assets of SBBWP and changes therein are classified and reported as follows:

Net Assets with Donor Restrictions – net assets subject to stipulations imposed by donors and grantors. Donor restrictions may be temporary or permanent in nature. These restrictions will be satisfied by specified actions of SBBWP or by the passage of time.

Net Assets without Donor Restrictions – net assets which are not subject to donor-imposed stipulations and, therefore, are assets the organization may use for any purpose in performing the primary objectives of SBBWP. These net assets may be used at the discretion of SBBWP's management and board of directors.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

D. Support and Expenses

All revenues and support are considered to be 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 support with donor restrictions that increases that net asset class. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions in the statement of activities as "net assets released from restrictions."

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

E. Contributions

In accordance with *FASB Accounting Standards Codification Section 958-605, Not-for-Profit Entities -Revenue Recognition - Contributions*, contributions are recognized when the donor makes a nonreciprocal promise to give and are recorded as Contributions without donor restrictions or Contributions with donor restrictions depending on the existence and/or nature of any donor restrictions.

SBBWP reports gifts of cash and other assets as unrestricted support unless they are received with donor stipulations that limit the use of the donated assets. When the donor restriction expires, that is, when the time restriction ends, or the 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.

SBBWP reports contributions of assets other than cash at their estimated fair value at the date of the gift and are reported as revenues of the unrestricted net asset class unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenues of the 'with donor restrictions' net asset class. Absent explicit donor stipulations about how long those long-lived assets must be maintained, SBBWP reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service.

All contributions are considered to be 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 support with donor restrictions that increases that net assets classes. When a qualifying expenditure occurs, or a time restriction expires, assets with donor restrictions are recognized in net assets without donor restrictions as "net assets released from restrictions" in the statement of activities. However, if a restriction is fulfilled in the same period in which the contribution is received, the contribution is reported as one without donor restrictions.

ST. BERNARD BATTERED WOMEN’S PROGRAM, INC.

Notes to Financial Statements (continued)

F. Allowance for Doubtful Accounts

SBBWP considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is provided.

G. Property and Equipment

Purchased property and equipment are recorded at cost at the date of acquisition. Property and equipment purchased with grant funds are recorded as contributions with donor restrictions. In the absence of donor stipulations regarding how long the assets must be used, SBBWP has adopted a policy of implying a time restriction that expires over the useful life of the assets. SBBWP maintains a threshold level of \$500 or more for capitalizing capital assets.

Depreciation is computed by the straight-line method based on the following estimated lives:

	<u>Years</u>
Buildings and improvements	20-40
Furniture, equipment and vehicles	5-12

H. Compensated Absences

Employees of SBBWP earn annual leave in varying amounts depending upon length of service. Sick leave is earned at the rate of 75 hours per year. Upon termination, no payment is made for unused sick leave, but accrued annual leave is paid up to a maximum of 40 hours of accrual. Accrued compensated absences are reported in the statement of financial position as accrued liabilities.

I. Donated Services

SBBWP receives donated services from unpaid volunteers who assist in program services during the year. However, these donated services are not reflected in the statement of activity because the criteria for recognition under *FASB Accounting Standards Codification 958-605, Not-for-Profit Entities - Revenue Recognition - Contributions* have not been satisfied.

J. Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking accounts on deposit in a local bank. These funds are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, SBBWP may have funds on deposit in excess of insured limits. It is management’s opinion that SBBWP is not exposed to any significant credit risks on cash and cash equivalents. At June 30, 2019, SBBWP had deposits totaling \$32,272 in excess of federally insured limits.

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

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

K. Investments

Certificates of deposit are carried at cost which approximates market. Investments in marketable securities are reported at fair value. Donated securities are initially recorded at their fair value on the date of the gift. Net investment income is recorded in unrestricted net assets, except for that portion of investment income derived from permanently restricted net assets, which is to be used in accordance with donor restrictions and which is therefore recorded in net assets with donor restrictions. Unrealized appreciation or depreciation of investments is included in the accompanying statement of activities as well as realized gains and losses on sales of marketable securities.

L. Income Taxes

SBBWP has received a determination letter from the Internal Revenue Service indicating that it is an tax-exempt organization as provided for in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes except to the extent it has unrelated business income. Income from certain activities not directly related to the organization's tax-exempt purpose is subject to taxation. If the organization were to be subject to unrelated business income tax, these taxes would be included in management and general expenses in the accompanying statement of activities.

M. Natural Classification of Expenses

The cost of providing for SBBWP'S programs and administering the related supporting services has been summarized on a functional basis in the statement of activities. Accordingly, expenses that benefit both program and supporting services have been allocated using management's estimates.

SBBWP's fundraising activities, in many cases, include purposes or contents related to a program service. *FASB Accounting Standards Codification 958-720, Other Expenses* states that joint costs of informational materials or activities should be allocated between fundraising and the appropriate program or general function if it can be demonstrated that a program or general function has been performed in conjunction with the appeal for funds. Although SBBWP has the ability to give evidence for such combined activities, it does not allocate those portions from its fundraising activities to program services.

N. Advertising

Advertising costs are expensed as incurred. Advertising expense was \$0 in 2019.

O. Operations

During the year ended June 30, 2019, the organization entered into reimbursement contracts with various agencies of the federal and state governments. Under these contracts, SBBWP would be reimbursed for expenses incurred for the operation of its battered women's shelter program and programs providing counseling or legal assistance regarding the prevention of, or obtaining relief from, spousal/family battery or cruelty in the form of temporary restraining orders or other protective orders issued through the court system.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

(2) Accounting 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) Due from Other Agencies

Due from other agencies consisted of the following at June 30, 2019:

State of Louisiana -	
Department of Children and Family Services	\$ 35,985
Louisiana Commission on Law Enforcement	31,483
St. Bernard Parish Government	14,752
Other -	
United Way	<u>30,699</u>
	<u>\$ 112,919</u>

(4) Property and Equipment

Property and equipment consisted of the following at June 30, 2019:

Capital assets not being depreciated	
Land	\$ 80,000
Capital assets being depreciated	
Building cost and renovations	847,141
Playground development and landscaping	16,531
Telephone, camera and alarm security systems	54,066
Gated fence and outside lighting	41,112
Computer equipment	22,573
Furniture and equipment	160,448
Pet facility and storage	9,640
Transportation vehicles	<u>27,390</u>
	1,258,901
Less accumulated depreciation	<u>(506,168)</u>
	<u>\$ 752,733</u>

Depreciation expense totaling \$42,297 was recognized in the statement of activities for the year ended June 30, 2019.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

(5) Art Collection

During fiscal year ended June 30, 2008, the organization received several oil paintings and water and ink drawings from the Jean Bragg Gallery in New Orleans, LA. These paintings were part of a collection of the early works of Jane Randolph, later known as Jane Randolph Whipple, a student who studied fine art at Newcomb College in New Orleans, LA during the 1927-1931 time period. Ms. Whipple was well known in the art community and was known as having had success abroad in Paris, France and London, England. SBBWP has adopted a policy of not capitalizing the collection of artworks in its financial statements.

(6) Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following at June 30, 2019:

Book value of property and equipment purchased \$ 33,759

(7) Summary of Grants/Contracts Funding

SBBWP was funded through the following grants and contracts for the year ended June 30, 2019:

<u>Funding Source/Program</u>	<u>CFDA No.</u>	<u>Award No.</u>	<u>Recognized Support</u>
State of Louisiana:			
Louisiana Commission on Law Enforcement:			
Domestic Violence Program - VOCA	16.575	2016-VA-02-3704	\$ 36,892
Domestic Violence Program - VOCA	16.575	2017-VA-02-4354	38,672
Domestic Violence Program - VOCA	16.575	2017-VA-02-4797	8,000
Domestic Violence Program - VAWA	16.588	2017-WF-03-4126	9,987
Domestic Violence Program - VAWA	16.588	2018-WF-03-4697	8,669
Department of Children and Family Services (DCFS)	93.671	2000358570	247,558
DCFS - Marriage Licenses and Civil Fees			1,578
Louisiana Bar Foundation:			
IOLTA Grant Program		2018-28	24,075
Parish of St. Bernard:			
Emergency Solutions Grant Program	14.231	SBPC #1711-07-17	89,222
Marriage Licenses and Civil Fees			1,447
			<u>\$ 466,100</u>

(8) Contingent Liabilities

SBBWP receives grants for specific purposes that are subject to review and audit by the agency providing the funding. Such reviews and audits could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

ST. BERNARD BATTERED WOMEN’S PROGRAM, INC.

Notes to Financial Statements (continued)

(9) Subsequent Events

In August 2019, SBBWP purchased a commercial building at a cost of approximately \$230,000. Management intends to utilize the building for program services and to host fundraising events.

Additionally, in August 2019, SBBWP formally changed its entity name to Family Violence Program of St. Bernard.

Management has evaluated subsequent events through November 27, 2019, the date which the financial statements were available for issue.

(10) Liquidity and Availability of Resources

At June 30, 2019, SBBWP has cash and cash equivalents totaling \$280,661, all of which was available for general expenditure needs. SBBWP has no policy to invest cash and cash equivalents in excess of daily requirements or structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

(11) Compensation and Other Payments to Chief Officer

Act 706 of the 2014 Louisiana Session amended R.S. 24:513(A) requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. Payments to the Executive Director, Gail Gowland, for the year ended June 30, 2019 are as follows:

Wages	\$ 82,000
Benefits - Insurance	2,893
Travel	683
Meals	<u>783</u>
	<u>\$ 86,359</u>

**SUPPLEMENTAL INFORMATION**

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Financial Position  
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 280,661	\$ 216,953
Investments	245,043	241,381
Due from other agencies	112,919	139,024
Other receivables	1,174	886
Prepaid expenses	<u>1,054</u>	<u>626</u>
Total current assets	640,851	598,870
Fixed assets		
Property and equipment, net	<u>752,733</u>	<u>784,108</u>
Total assets	<u>\$ 1,393,584</u>	<u>\$ 1,382,978</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 2,618	\$ 1,529
Accrued liabilities	<u>28,745</u>	<u>27,956</u>
Total current liabilities	<u>31,363</u>	<u>29,485</u>
Net assets		
Without donor restrictions	1,328,462	1,315,044
With donor restrictions	<u>33,759</u>	<u>38,449</u>
Total net assets	<u>1,362,221</u>	<u>1,353,493</u>
Total liabilities and net assets	<u>\$ 1,393,584</u>	<u>\$ 1,382,978</u>

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Activities  
Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Net assets without donor restrictions		
Revenue and support		
Federal, state and local grants and contracts	\$ 352,803	\$ 345,553
United Way for Greater New Orleans Area	84,366	22,600
United Way payroll designations	1,643	-
Contributions	54,588	36,000
Fundraising	18,726	17,738
Net assets released from restrictions	<u>123,426</u>	<u>135,287</u>
Total unrestricted revenue and support	<u>635,552</u>	<u>557,178</u>
Expenses		
Program services	537,228	512,000
Supporting services		
Management and general	84,478	79,649
Fundraising	<u>428</u>	<u>-</u>
Total expenses	<u>622,134</u>	<u>591,649</u>
Increase (decrease) in net assets without donor restrictions	<u>13,418</u>	<u>(34,471)</u>
Net assets with donor restrictions		
State grants	89,222	100,000
Other grants and contracts	24,075	25,000
Interest income	5,439	5,596
Net assets released from restrictions	<u>(123,426)</u>	<u>(135,287)</u>
Decrease in net assets with donor restrictions	<u>(4,690)</u>	<u>(4,691)</u>
Change in net assets	8,728	(39,162)
Net assets, beginning	<u>1,353,493</u>	<u>1,392,655</u>
Net assets, ending	<u>\$ 1,362,221</u>	<u>\$ 1,353,493</u>

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Functional Expenses  
Years Ended June 30, 2019 and 2018

	2019				2018 Total
	Victim Support and Shelter	Management and General	Fundraising	Total	
Salaries	\$ 317,691	\$ 50,860	\$ -	\$ 368,551	\$ 338,605
Payroll taxes	25,785	4,128	-	29,913	27,982
Accounting and audit fees	18,790	2,615	-	21,405	22,607
Bank charges	-	48	-	48	344
Client services expenses	11,325	-	-	11,325	21,930
Client transportation expenses	766	-	-	766	1,382
Depreciation	29,608	12,689	-	42,297	42,824
Dues and subscriptions	1,598	-	-	1,598	1,622
Equipment expense	6,656	740	-	7,396	10,473
Equipment rental	3,384	376	-	3,760	3,271
Food supplies	17,802	-	-	17,802	4,294
Fundraising expenses	-	-	428	428	-
Insurance	37,749	7,261	-	45,010	37,347
Licenses and permits	65	-	-	65	35
Office supplies and expense	10,805	1,156	-	11,961	19,590
Operating supplies	4,349	415	-	4,764	3,949
Other professional fees	13,144	-	-	13,144	9,500
Postage and delivery	290	32	-	322	453
Repairs and maintenance	10,419	1,158	-	11,577	14,969
Telephone	6,639	738	-	7,377	8,294
Training and conferences	2,992	332	-	3,324	3,213
Travel	1,592	177	-	1,769	1,109
Utilities	15,779	1,753	-	17,532	17,856
	<u>\$ 537,228</u>	<u>\$ 84,478</u>	<u>\$ 428</u>	<u>\$ 622,134</u>	<u>\$ 591,649</u>

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Cash Flows  
Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ 8,728	\$ (39,162)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	42,297	42,824
Increase (decrease) in due from other agencies	26,105	(30,623)
Increase in other receivables	(288)	(586)
Increase in prepaid expenses	(428)	(104)
Increase in accounts payable	1,089	857
Increase in accrued liabilities	<u>789</u>	<u>1,442</u>
Net cash provided (used) by operating activities	<u>78,292</u>	<u>(25,352)</u>
Cash flows from investing activities		
Purchases of certificates of deposit	(245,043)	(241,381)
Proceeds from maturities of certificates of deposit	241,381	236,649
Purchase of equipment and furnishings	-	(4,142)
Purchase of computer equipment	-	(7,458)
Facility improvements and renovations	<u>(10,922)</u>	<u>(24,875)</u>
Net cash used by investing activities	<u>(14,584)</u>	<u>(41,207)</u>
Net increase (decrease) in cash	63,708	(66,559)
Cash, beginning	<u>216,953</u>	<u>283,512</u>
Cash, ending	<u>\$ 280,661</u>	<u>\$ 216,953</u>

**INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Victor R. Slaven, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Brad E. Kolder, CPA, JD\*  
Stephen J. Anderson, CPA\*  
Christine C. Doucet, CPA  
Wanda F. Arcement, CPA, CVA  
Bryan K. Joubert, CPA  
Matthew E. Margaglio, CPA  
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.  
Lafayette, LA 70508 Baton Rouge, LA 70816  
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.  
Alexandria, LA 71301 New Iberia, LA 70560  
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.  
Abbeville, LA 70510 Morgan City, LA 70380  
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.  
Ville Platte, LA 70586 Oberlin, LA 70655  
Phone (337) 363-2792 Phone (337) 639-4737

\* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

## 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  
St. Bernard Battered Women's Program, Inc.  
Chalmette, 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 the St. Bernard Battered Women's Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 27, 2019.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Bernard Battered Women's Program, 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 the St. Bernard Battered Women's Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Bernard Battered Women's Program, Inc.'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 St. Bernard Battered Women's Program Inc.'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 the St. Bernard Battered Women's Program, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Bernard Battered Women's Program, Inc.'s internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Bernard Battered Women's Program, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
November 27, 2019

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Schedule of Audit Results  
Year Ended June 30, 2019

Part I: Summary of Auditor's Results

An unmodified opinion has been issued on the financial statements.

No deficiencies considered to be material weaknesses in internal control were reported during the audit of the financial statements.

No material instances of noncompliance were reported during the audit of the financial statements.

Part II: Findings Reported in Accordance with *Government Auditing Standards*

There are no findings reported in this section.

Part III: Findings and Questioned Costs Reported in Accordance with Uniform Guidance

The requirements of the Uniform Guidance do not apply.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2019

Internal Control and Compliance Material to the Financial Statements

No findings were previously reported.

**St. Bernard Battered Women's Program**

Statewide Agreed-Upon Procedures

Fiscal period July 1, 2018 through June 30, 2019

# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES TO CONTROL AND COMPLIANCE AREAS IDENTIFIED BY THE LOUISIANA LEGISLATIVE AUDITOR

St. Bernard Battered Women's Program, and  
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by St. Bernard Battered Women's Program (hereinafter "SBBWP") and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019, as required by the *Louisiana Governmental Audit Guide*. SBBWP's management is responsible for those control and compliance 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 provisions of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the SBBWP and the LLA. 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 exceptions are as follows:

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

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

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

*Written policies and procedures were obtained and address the functions noted above.*

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.

*Written policies and procedures were obtained and address the functions noted above.*

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

*Written policies and procedures were obtained and address the functions noted above.*

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).

*Written policies and procedures were obtained and address the functions noted above.*

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

*Written policies and procedures were obtained and address the functions noted above.*

- 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.

*Written policies and procedures were obtained and address the functions noted above.*

- 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).

*Written policies and procedures were obtained and address the functions noted above.*

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

*Written policies and procedures were obtained and address the functions noted above.*

- 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 SBBWP's ethics policy.

*SBBWP is a non-profit entity; therefore, written policies and procedures related to ethics are not applicable.*

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

*SBBWP is a non-profit entity; therefore, written policies and procedures related to debt service are not applicable.*

- 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.

*Written policies and procedures were obtained, but do not specifically address five (5) of the six (6) functions noted above.*

### **Board or Finance Committee**

---

**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- b) For those entities reporting on the 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 SBBWP's collections during the fiscal period.
- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

### ***Bank Reconciliations***

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**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

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 SBBWP's main operating account. Select SBBWP'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:
  - 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);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections (excluding EFTs)***

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

*Obtained 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. Selected the one (1) deposit site.*

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 and procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

*Cash drawer/register is not shared.*

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

*No exceptions were noted as a result of this procedure.*

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

*No exceptions were noted as a result of this procedure.*

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

*No exceptions were noted as a result of this procedure.*

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

*Management asserted that all employees who have access to cash are covered by a bond or insurance policy for theft.*

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

*Randomly selected two (2) deposit dates for the bank accounts for which collections activity occurred in the reporting period. One (1) of the two (2) bank accounts had no collections activity, therefore testing procedures were not applicable. All subsequent responses (7.a-7.e) are related to the sole account subjected to testing.*

- a) Observe that receipts are sequentially pre-numbered.

*Not Applicable—SBBWP does not utilize a pre-numbered receipt system due to the nature of their collections. Instead, SBBWP maintains a log which shows receipts in sequential/chronological order.*

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

*No exceptions were found as a result of this procedure.*

- c) Trace the deposit slip total to the actual deposit per the bank statement.

*No exceptions were found as a result of this procedure.*

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

*No exceptions were found as a result of this procedure.*

- e) Trace the actual deposit per the bank statement to the general ledger.

*No exceptions were found as a result of this procedure.*

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

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- 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).

*Obtained a listing of collection sites for the fiscal period and management's representation that the listing is complete. Selected the one (1) collection site.*

- 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.

*No exceptions were found as a result of this procedure.*

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

*No exceptions were found as a result of this procedure.*

- 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.

*No exceptions were found as a result of this procedure.*

- 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.

*No exceptions were found as a result of this procedure.*

- 10. For each location selected under #8 above, obtain SBBWP'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.

*No exceptions were found as a result of this procedure.*

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

*Disbursement documentation did not include written evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable, for three (3) of the five (5) transactions selected.*

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

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**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

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**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

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**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

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

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

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**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

- 16. Obtain a listing of 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.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

- c) Observe that any leave accrued or taken during the pay period is reflected in SBBWP's cumulative leave records.
18. 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' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. 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.

***Ethics (not applicable)***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read SBBWP's ethics policy during the fiscal period.

***Debt Service (not applicable)***

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

***Other***

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**Note : Procedures excluded from testing in the current period—Per the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures Year 3: 'Entities that did not have exceptions in one or more of the twelve AUP categories tested during Year 1 or Year 2 may exclude those categories from testing in Year 3.'**

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that SBBWP reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which SBBWP is domiciled.
24. Observe that SBBWP has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

***Management's Response***

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The SBBWP concurs with the exceptions and is working to address the deficiencies identified.

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 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 control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. This report is intended solely for the information of and use by SBBWP's management and the LLA and should not be used by anyone other than those specified parties. Accordingly, this report is not suitable for any other purpose and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
November 27, 2019