
BASTION COMMUNITY OF RESILIENCE
NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

RICHARD  CPAS

BASTION COMMUNITY OF RESILIENCE
NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

BASTION COMMUNITY OF RESILIENCE

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Independent Accountants' Review Report

Board of Directors
Bastion Community of Resilience
New Orleans, Louisiana

We have reviewed the accompanying financial statements of Bastion Community of Resilience (the Organization, a nonprofit corporation), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Richard CPAS

Metairie, Louisiana
June 13, 2019

BASTION COMMUNITY OF RESILIENCE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016

ASSETS

	2017	2016
<u>CURRENT ASSETS</u>		
Cash, unrestricted	\$ 273,661	\$ 655,159
Accounts receivable	-	5,000
Other assets	-	15,722
	273,661	675,881
<u>NOTE RECEIVABLE, NET</u>	-	-
<u>TOTAL ASSETS</u>	\$ 273,661	\$ 675,881

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 233,393	\$ 3,275
Accrued payroll and related liabilities	9,107	13,425
	242,500	16,700
<u>NET ASSETS</u>		
Unrestricted net assets	31,161	659,181
Total net assets	31,161	659,181
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 273,661	\$ 675,881

See accompanying notes and independent accountants' review report.

BASTION COMMUNITY OF RESILIENCE
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>			<u>2016</u>		
	<u>Unrestricted</u>	<u>Temporary Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporary Restricted</u>	<u>Total</u>
<u>REVENUES</u>						
Contributions	\$ 398,659	\$ -	\$ 398,659	\$ 309,695	\$ -	\$ 309,695
Corporate grants	17,284	-	17,284	269,768	-	269,768
Foundation grants	167,000	-	167,000	318,484	-	318,484
Government grants	295,668	-	295,668	246,472	-	246,472
In-kind contributions	119,109	-	119,109	557,860	-	557,860
Interest income	236	-	236	243	-	243
	<u>997,956</u>	<u>-</u>	<u>997,956</u>	<u>1,702,522</u>	<u>-</u>	<u>1,702,522</u>
Net assets released from restrictions	-	-	-	-	-	-
Total revenues and other support	<u>997,956</u>	<u>-</u>	<u>997,956</u>	<u>1,702,522</u>	<u>-</u>	<u>1,702,522</u>
<u>EXPENSES</u>						
Program expenses	1,446,414	-	1,446,414	1,280,946	-	1,280,946
Fundraising expenses	98,563	-	98,563	21,058	-	21,058
Management and general	80,999	-	80,999	22,289	-	22,289
Total expenses	<u>1,625,976</u>	<u>-</u>	<u>1,625,976</u>	<u>1,324,293</u>	<u>-</u>	<u>1,324,293</u>
<u>CHANGE IN NET ASSETS</u>	(628,020)	-	(628,020)	378,229	-	378,229
<u>NET ASSETS, BEGINNING OF THE YEAR</u>	659,181	-	659,181	280,952	-	280,952
<u>NET ASSETS, END OF THE YEAR</u>	<u>\$ 31,161</u>	<u>\$ -</u>	<u>\$ 31,161</u>	<u>\$ 659,181</u>	<u>\$ -</u>	<u>\$ 659,181</u>

See accompanying notes and independent accountants' review report.

BASTION COMMUNITY OF RESILIENCE
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017				2016			
	Program Services - Informational and Educational	Fundraising	Support Services - General and Administrative	Total	Program Services - Informational and Educational	Fundraising	Support Services - General and Administrative	Total
Personnel costs	\$ 207,435	\$ 63,168	\$ 47,227	\$ 317,830	\$ 114,072	\$ -	\$ 10,292	\$ 124,364
Contract services	9,385	-	-	9,385	1,083	-	120	1,203
Professional fees	23,952	18,675	7,910	50,537	42,887	21,058	7,858	71,803
Occupancy	14,676	-	1,750	16,426	26	-	3	29
Supplies	21,347	16,720	3,891	41,958	3,577	-	397	3,974
Other expenses	11,979	-	8,750	20,729	9,064	-	1,007	10,071
Travel	16,305	-	3,134	19,439	18,993	-	2,110	21,103
Printing	3,767	-	2,452	6,219	1,546	-	171	1,717
Telephone	4,397	-	2,862	7,259	2,713	-	301	3,014
Conference expenses	4,883	-	3,023	7,906	273	-	30	303
Contribution to Bastion Partners	1,128,288	-	-	1,128,288	1,086,712	-	-	1,086,712
	<u>\$ 1,446,414</u>	<u>\$ 98,563</u>	<u>\$ 80,999</u>	<u>\$ 1,625,976</u>	<u>\$ 1,280,946</u>	<u>\$ 21,058</u>	<u>\$ 22,289</u>	<u>\$ 1,324,293</u>

See accompanying notes and independent accountants' review report.

BASTION COMMUNITY OF RESILIENCE
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ (628,020)	\$ 378,229
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized loss on sale of property	-	3,500
Non cash write-off of other assets	15,722	-
In-kind contributions	(119,109)	(557,860)
Non cash adjustment to note receivable	1,128,288	1,086,712
Changes in operating assets and liabilities:		
Accounts receivable	5,000	57,550
Other assets	-	-
Accounts payable	230,118	3,275
Payroll and related liabilities	(4,318)	13,425
	<u>627,681</u>	<u>984,831</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from sale of property	-	25,625
Advances on note receivable	(1,009,179)	(528,852)
	<u>(1,009,179)</u>	<u>(503,227)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payments on notes payable	-	(25,625)
	<u>-</u>	<u>(25,625)</u>
Net change in cash and cash equivalents	(381,498)	455,979
Cash and cash equivalents, beginning of year	<u>655,159</u>	<u>199,180</u>
Cash and cash equivalents, end of year	<u>\$ 273,661</u>	<u>\$ 655,159</u>
<u>SUPPLEMENTAL DISCLOSURE</u>		
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes and independent accountants' review report.

BASTION COMMUNITY OF RESILIENCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

1. Summary of Significant Accounting Policies

History and Organization

Bastion Community of Resilience (The Organization) is a nonprofit organization, which supports returning warriors and families through their transition from military service and beyond by providing a healing environment with an intentionally designed neighborhood. The Organization's goal is for residents to maximize independence in the home and age in place by creating layers of social and instrumental support through volunteer programs and individualized care plans.

Basis of Presentation:

The accompanying statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles and accordingly reflect all significant receivables, payables, and other liabilities.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor imposed or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – Unrestricted net assets are resources that are available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Temporarily restricted net assets – Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a future period. The Organization's unspent contributions are reported in this class if the donor limited their use, as are promised contributions that are not yet due. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. At December 31, 2017 and 2016, the Organization does not hold any temporarily restricted net assets.

Permanently restricted net assets – Permanently restricted net assets are resources whose use is limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. At December 31, 2017 and 2016, the Organization does not hold any permanently restricted net assets.

BASTION COMMUNITY OF RESILIENCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

1. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For purposes of the statements of cash flows, management considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Accounts Receivables

Accounts receivable consist primarily of grants and contributions receivable. Receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, management believes the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Revenue and Revenue Recognition

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions

Donated services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the organization throughout the year, but these services do not meet the criteria for recognition as contributed services.

Functional Allocation of Expenses

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

BASTION COMMUNITY OF RESILIENCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

1. Summary of Significant Accounting Policies (continued)

Income tax status

Bastion Community of Resilience is organized as a nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as organizations described in IRC Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections

The Organization is exempt, by statute, from federal, state, and local income taxes, except for certain products and services which have been deemed by the Internal Revenue Services (IRS) to be subject to unrelated business income tax (UBIT). The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of the unrelated business taxable income (UBIT). Any tax benefits recognized in the financial statements from such a position are measured based on the largest benefits that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2017 and 2016.

Use of estimates

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

BASTION COMMUNITY OF RESILIENCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

2. Note Receivable

The source of funds used for the note receivable balance consisted of grant funds from the City of New Orleans (HOME grant), private donors, and in-kind contributions. The funds advanced to the borrowers were used to support the acquisition and development of the property at 1901 Mirabeau in New Orleans (Phase I and Phase II). Note receivable consists of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Bastion NO Partners, I, LLC note receivable dated June 1, 2016 at 0% interest, maturity date of May 1, 2058, unsecured, payments based on net free cash flow, subordinate to other debt.	\$ 1,555,000	\$ 1,086,712
Bastion New Orleans Partners II, LLC note receivable dated December 21, 2017 at 1.0% interest, maturity date of August 1, 2058, unsecured, payments based on net free cash flow, subordinate to other debt.	<u>660,000</u>	<u>-</u>
	2,215,000	1,086,712
less: allowance for doubtful accounts	<u>(2,215,000)</u>	<u>(1,086,712)</u>
Note receivable, net	<u>\$ -</u>	<u>\$ -</u>

Advances on the note receivable were \$1,128,288 and \$1,086,712 during the years ended December 31, 2017 and 2016, respectively. The Organization has recorded an allowance for doubtful accounts of \$2,215,000 and \$1,086,712 at December 31, 2017 and 2016 due to the uncertainty in future net free cash flows, unsecured nature of the note, and length of time until maturity date.

3. Lease Expense

The Organization has an operating lease agreement for use of office space and facilities in New Orleans through April 30, 2022. The Organization has one option to review the lease for one additional five-year period. Rent expense for the lease consisted of \$18,000 and \$0 during the years ended December 31, 2017 and 2016 and is included in occupancy expense on the statement of activities. Future minimum lease payments under the operating lease with remaining terms in excess of one year as of December 31, 2017 are:

BASTION COMMUNITY OF RESILIENCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

3. Lease Expense (continued)

Future minimum lease payments under the operating lease with remaining terms in excess of one year as of December 31, 2017 are:

2018	\$ 18,360
2019	18,727
2020	19,102
2021	19,484
2022	<u>6,625</u>
Total	<u>\$ 82,298</u>

4. Concentrations

Credit Risk

The Organization has concentrated its credit risk for cash by maintaining deposits in financial institutions in New Orleans, Louisiana, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). At December 31, 2017 and 2016, the Organization's uninsured cash balances total \$27,611 and \$405,109, respectively.

Contributions

During the year ended December 31, 2017, approximately 30% of total contributions revenue related to HOME funds received from the City of New Orleans and 24% of total contribution revenue was from two donors and 10% of contributions revenue was from in-kind contributions from one donor. During the year ended December 31, 2016, 14% of total contribution revenue related to HOME funds received from the City of New Orleans and 28% of total contribution revenue was from two donors and 33% of contributions revenue was from in-kind contributions from one grantee.

5. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 13, 2019, and determined the following requires disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

In 2018, a donor pledged \$375,000 to the construction and maintenance of housing and facilities at 1901 Mirabeau Avenue in New Orleans. The funds were received in June 2018.

BASTION COMMUNITY OF RESILIENCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

5. Subsequent Events (continued)

In June 2018, the Organization purchased land in New Orleans at a cost of \$357,750 for Phase III of the property in New Orleans. The property purchased in June 2018 is adjacent to the existing apartments and office space built in Phase I and Phase II.

SUPPLEMENTARY INFORMATION

BASTION COMMUNITY OF RESILIENCE
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO THE AGENCY HEAD
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

Agency Head Name: Dylan Tête, Executive Director

	<u>2017</u>	<u>2016</u>
Salary	\$ -	\$ -
Benefits - insurance	-	-
Benefits - retirement	-	-
Benefits - other	-	-
Car allowance	-	-
Vehicle provided by government	-	-
Per diem	-	-
Reimbursements	-	-
Travel	-	-
Registration fees	-	-
Conference travel	-	-
Continuing professional education fees	-	-
Housing	-	-
Unvouchered expenses	-	-
Special meals	-	-
Other	-	-
	<u> </u>	<u> </u>
Total	<u>\$ -</u>	<u>\$ -</u>

The Organization does not meet the requirement to report the total compensation, reimbursements, and benefits paid to the Executive Director as these costs are not paid from public funds.

See accompanying notes and independent accountants' review report.

BASTION COMMUNITY OF RESILIENCE
NEW ORLEANS, LOUISIANA

AGREED UPON PROCEDURES REPORT

DECEMBER 31, 2017



BASTION COMMUNITY OF RESILIENCE
NEW ORLEANS, LOUISIANA

AGREED UPON PROCEDURES REPORT

DECEMBER 31, 2017

BASTION COMMUNITY OF RESILIENCE

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Independent Accountant’s Report on
Applying Agreed-Upon Procedures

To the Board Members of
Bastion Community of Resilience:

We have performed the procedures enumerated below, which were agreed to by Bastion Community of Resilience (the Organization) and the Louisiana Legislative Auditor (the specified parties), on the Organization’s compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal years ended December 31, 2017 and 2016, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Organization’s management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated 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:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Organization’s management.

The Organization provided us with the following list of expenditures made for federal grant awards received during the fiscal years ended 2017 and 2016:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
HOME Investment Partnerships Program passed through the City of New Orleans	2015-008	14.239	\$ 246,472.26
HOME Investment Partnerships Program passed through the City of New Orleans	2015-008	14.239	\$ 295,667.74
City of New Orleans Wisner grants	12/31/2017	N/A	\$ 10,000.00
Total Expenditures			\$ 552,140.00

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

RICHARD CPAS selected six disbursements from the HOME funds passed through the City of New Orleans.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

Each of the selected disbursements agreed to the amount and payee in the supporting documentation. No exceptions were noted.

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

Each of the disbursements were coded to the correct fund and general ledger account. No exceptions were noted.

5. Report whether the selected disbursements were approved in accordance with the Organization's policies and procedures.

The Organization's policies and procedures state that the executive director must approve all disbursements. Documentation supporting each of the selected disbursements included the approval of the executive director.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Activities allowed or unallowed

RICHARD CPAS compared documentation for each of the selected disbursements with program compliance requirements related to services allowed or not allowed. No exceptions were noted.

Eligibility

RICHARD CPAS compared documentation for each of the selected disbursements with program compliance requirements related to eligibility. No exceptions were noted.

Reporting

RICHARD CPAS compared documentation for each of the selected disbursements with program compliance requirements related to reporting. No exceptions were noted.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Organization's financial records; and report whether the amounts in the close-out reports agree with the Organization's financial records.

RICHARD CPAS compared the close-out reports for the one federal grant award with the Organization's financial records. The amounts reported on the close-out reports agreed with the Organization's financial records.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.

Not applicable. No exceptions noted.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the Organization provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The Organization provided documentation that comprehensive budgets were submitted to the applicable federal grantor agency for the grants exceeding five thousand dollars. These budgets included the purpose and duration of the grant program. No exceptions noted.

State Audit Law

10. Report whether the Organization provided for a timely report in accordance with R.S. 24:513.

The Organization's report was not submitted to the Legislative Auditor before the statutory due dates of June 30, 2017 and June 30, 2018. Exception noted.

11. Inquire of management and report whether the Organization entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the Organization was not in compliance with R.S. 24:513 (the audit law).

The Organization's management represented that the Organization did not enter into any contracts during the fiscal year that were subject to the public bid law. No exceptions noted.

Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

Not applicable.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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 the Organization's compliance with the foregoing matters. 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 the Organization's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Richard CPAS

Metairie, Louisiana

June 13, 2019

**ATTACHMENTS:
SIGNED LOUISIANA ATTESTATION QUESTIONNAIRE
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR EXCEPTIONS NOTED IN
THE ATTESTATION REPORT**

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-Public Agencies)

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of the review/attestation engagement of Louisiana quasi-public agencies. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting.

The completed attestation questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the independent certified public accountant at the beginning of the engagement.** The CPA will, during the course of his/her engagement, perform certain agreed-upon procedures to the responses in the questionnaire. It is not necessary to return the questionnaire to my office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the CPA during the course of his/her engagement. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

_____ (Date Transmitted)

Richard CPAs _____ (CPA Firm Name)

3421 N. Causeway Blvd Suite 403 _____ (CPA Firm Address)

Metairie LA 70002 _____ (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2016 and 2017(date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No N/A

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [] No [] N/A [x]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [x] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No [] N/A [x]

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [x] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [x] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [x] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [x] No []

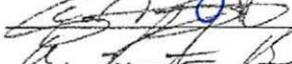
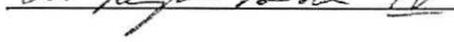
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [x] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [x] No []

The previous responses have been made to the best of our belief and knowledge.

	Secretary	3/29/19	Date
	Treasurer	3/28/19	Date
	President	3/28/19	Date



1901 MIRABEAU AVENUE
NEW ORLEANS, LA 70122
888-737-5577

Daryl G. Purpera, CPA, CFE
Legislative Auditor
1600 N. 3RD ST.
P.O. BOX 94397
BATON ROUGE, LA 70804-9397

Dear Daryl G. Purpera,

For the periods ended December 31, 2016, and 2017, respectively, Bastion failed to provide a timely report to the Louisiana Legislative Auditor pursuant to R.S. 24:513. As such, Bastion has engaged Richard CPAs to perform appropriate procedures for those periods. Additionally, Bastion received no public funds for the period ended December 31, 2018, and does not anticipate receiving public funds in the foreseeable future.

In service,

A handwritten signature in black ink, appearing to read "Dylan Tête", with a stylized flourish at the end.

Dylan Tête
Executive Director