

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**FINANCIAL STATEMENTS AND  
AUDITOR'S REPORT**

**June 30, 2019**

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Travelers Aid Society of Greater New Orleans

### Report on the Financial Statements

We have audited the accompanying financial statements of Travelers Aid Society of Greater New Orleans (a non-profit organization), which comprise the statement of the 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Travelers Aid Society of Greater New Orleans as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

As discussed in Note A14 to the financial statements, Travelers Aid Society of Greater New Orleans adopted Accounting Standards Update No. 2016-14 in the current year related to the presentation of financial statements. Our opinion is not modified with respect to this matter.

## Report on Summarized Comparative Information

We have previously audited Travelers Aid Society of Greater New Orleans' 2018 financial statements, and our report dated November 5, 2018, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## Other Matters

### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental financial information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2019, on our consideration of Travelers Aid Society of Greater New Orleans' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Travelers Aid Society of Greater New Orleans' internal control over financial reporting and compliance.

*Justin J. Scanlon, CPA, LLC*

New Orleans, Louisiana  
September 30, 2019

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**STATEMENT OF FINANCIAL POSITION**

June 30, 2019

**ASSETS**

**SUMMARIZED  
COMPARATIVE  
INFORMATION  
June 30, 2018**

**Current Assets**

Cash and cash equivalents	\$ 361,545	\$ 384,300
Investment securities (Notes A4 and B)	543,343	506,107
Receivables		
Grant (Notes A5 and C)	152,164	189,846
Other	<u>368</u>	<u>382</u>
	<u>152,532</u>	<u>190,228</u>
Prepaid expenses	<u>63,477</u>	<u>68,556</u>
Total current assets	<u>1,120,897</u>	<u>1,149,191</u>
Property and equipment, at cost (Note A6)		
Office Equipment	10,356	10,356
Less accumulated depreciation	<u>&lt; 10,356 &gt;</u>	<u>&lt; 10,356 &gt;</u>
	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,120,897</u>	<u>\$ 1,149,191</u>

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable and accrued liabilities	\$ 30,765	\$ 73,426
Accrued retirement plan contributions	<u>26,766</u>	<u>18,009</u>
Total current liabilities	<u>57,531</u>	<u>91,435</u>
Total liabilities	57,531	91,435

**Net assets**

Without donor restrictions	<u>1,063,366</u>	<u>1,057,756</u>
Total net assets	<u>1,063,366</u>	<u>1,057,756</u>
Total liabilities and net assets	<u>\$ 1,120,897</u>	<u>\$ 1,149,191</u>

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

TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS

STATEMENT OF ACTIVITIES

For the year ended June 30, 2019

	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>	<u>SUMMARIZED COMPARATIVE INFORMATION</u> For the year ended June 30, 2018
<b>REVENUES AND SUPPORT</b>				
United Way				
Grants	\$ -	\$ 125,000	\$ 125,000	\$ 125,000
Other	2,883	-	2,883	4,795
Contributions	21,157	-	21,157	8,172
Investment income (Note B)	37,340	-	37,340	34,084
Grant revenue	-	1,348,778	1,348,778	1,151,458
In-kind support	120,415	-	120,415	120,415
Other	69,624	-	69,624	60,371
Net assets released from restrictions	<u>1,473,778</u>	<u>&lt; 1,473,778 &gt;</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES AND SUPPORT</b>	<u>1,725,197</u>	<u>-</u>	<u>1,725,197</u>	<u>1,504,295</u>
<b>EXPENSES</b>				
Program services				
Crisis intervention	1,551,820	-	1,551,820	1,455,795
Self-Help	105,674	-	105,674	80,014
Supportive services				
Management and general	<u>62,093</u>	<u>-</u>	<u>62,093</u>	<u>60,737</u>
<b>TOTAL EXPENSES</b>	<u>1,719,587</u>	<u>-</u>	<u>1,719,587</u>	<u>1,596,546</u>
Change in net assets	5,610	-	5,610	< 92,251 >
Net assets, beginning of year	<u>1,057,756</u>	<u>-</u>	<u>1,057,756</u>	<u>1,150,007</u>
Net assets, end of year	<u>\$ 1,063,366</u>	<u>\$ -</u>	<u>\$ 1,063,366</u>	<u>\$ 1,057,756</u>

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

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**STATEMENT OF CASH FLOWS**

**For the year ended June 30, 2019**

**SUMMARIZED  
COMPARATIVE  
INFORMATION**

**For the year ended  
June 30, 2018**

Cash flows from operating activities:

Changes in net assets	\$ 5,610	\$ < 92,251 >
Adjustments to reconcile increase <decrease> in net assets to net cash provided by <used in> operating activities:		
Unrealized <appreciation> depreciation of marketable securities	< 23,235 >	< 23,348 >
Changes in assets and liabilities:		
<Increase> decrease in grants receivable	37,682	161,951
<Increase> decrease in other receivables	14	618
<Increase> decrease in prepaid expenses	5,079	< 29,451 >
Increase <decrease> in accounts payable and accrued liabilities	< 42,661 >	49,922
Increase <decrease> in accrued retirement plan contributions	<u>8,757</u>	<u>937</u>
Net cash provided by <used in> operating activities	<u>&lt; 8,754 &gt;</u>	<u>68,378</u>
Cash flows from investing activities:		
Purchase of investment securities	< 14,001 >	< 10,567 >
Proceeds from sale of securities	<u>-</u>	<u>-</u>
Net cash provided by <used in> investing activities	<u>&lt; 14,001 &gt;</u>	<u>&lt; 10,567 &gt;</u>
Net increase <decrease> in cash and cash equivalents	< 22,755 >	57,811
Cash and cash equivalents, beginning of year	<u>384,300</u>	<u>326,489</u>
Cash and cash equivalents, end of year	<u>\$ 361,545</u>	<u>\$ 384,300</u>

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

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the year ended June 30, 2019**

	<u>PROGRAM SERVICES</u>				<u>SUMMARIZED COMPARATIVE INFORMATION</u>
	<u>CRISIS INTERVENTION</u>	<u>SELF HELP</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>	<u>For the year ended June 30, 2018</u>
Salaries	\$ 515,635	\$ 21,327	\$ 31,990	\$ 568,952	\$ 517,114
Benefits	83,538	4,300	6,450	94,288	85,256
Payroll taxes	41,516	1,750	2,625	45,891	38,696
Occupancy expense	90,311	12,042	18,062	120,415	120,415
Travel	15,362	4,841	-	20,203	17,521
Supplies	2,554	331	80	2,965	11,122
Printing	1,749	173	73	1,995	3,181
Direct assistance to individuals	760,144	54,346	-	814,490	739,827
Other expense	<u>41,011</u>	<u>6,564</u>	<u>2,813</u>	<u>50,388</u>	<u>63,414</u>
Total expenses	<u>\$ 1,551,820</u>	<u>\$ 105,674</u>	<u>\$ 62,093</u>	<u>\$ 1,719,587</u>	<u>\$ 1,596,546</u>

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

TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Nature of Activities**

Travelers Aid Society of Greater New Orleans was organized for educational and charitable purposes primarily to provide crisis intervention and job search services for homeless or stranded families and individuals.

The Corporation is supported primarily through United Way and government grants.

**2. Financial Statement Presentation**

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

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

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

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

**3. Contributions**

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

TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. **Contributions – Continued**

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation.

4. **Investments**

Investments are presented in accordance with requirements established by FASB ASC 320. Under FASB ASC 320, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes in net assets. Investment return is presented net of investment fees. The average cost method is primarily used to determine the basis for computing realized gains or losses.

5. **Receivables**

Unconditional promises to give are recognized as revenues or gains in the period in which the promise is made. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value based on expected cash flows. Conditional promises to give are not included as support until the conditions are substantially met. Contributions receivable consist primarily of promises to give from an affiliated entity and are generally considered to be fully collectible. If amounts become uncollectible, they will be charged to operations when that determination is made.

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

6. **Property and Equipment**

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. There was no depreciation expense for the year ended June 30, 2019.

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

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**7. Cash Equivalents**

For purposes of the statement of cash flows, the corporation considers all demand deposit accounts and investments with original maturities of six months or less to be cash equivalents.

**8. Estimates**

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

**9. Fair Values of Financial Instruments**

Cash, cash equivalents, and temporary investments carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments. The fair values of marketable securities are based on quoted market prices for those or similar investments.

**10. In-Kind Support**

Travelers Aid Society of Greater New Orleans receives rent-free office space at the VA Hospital Building owned by the City of New Orleans (\$120,415). The estimated value of the contributed rents are recognized as revenue and expense in the Statement of Activities.

**11. Functional Allocation of Expenses**

The expenses of providing program and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Certain of those expenses have been allocated among the program and supporting services benefited based on allocation methods formulated by management of the costs involved.

**12. Subsequent Events**

The subsequent events of the corporation were evaluated through the date the financial statements were available to be issued (September 30, 2019).

**13. Summarized Comparative Information**

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

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

June 30, 2019

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**14. New Accounting Pronouncement**

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Travelers Aid Society of Greater New Orleans has adjusted the presentation of these statements accordingly.

**NOTE B – INVESTMENT SECURITIES**

Investment securities at June 30, 2019 consist of the following:

	<b>Fair Market Value</b>	<b>Cost</b>
Mutual Funds - Vanguard		
Life strategy conservative growth	\$ 135,505	\$ 119,722
Short-term investment growth	175,658	176,273
Total stock market index	232,180	115,796
	<b>\$ 543,343</b>	<b>\$ 411,791</b>

The unrealized appreciation for the year ended June 30, 2019 totaled \$23,235. As of June 30, 2019, the aggregate unrealized appreciation totaled \$131,552.

For the year ended June 30, 2019, investment income consists of the following:

Interest and dividend income	\$ 14,105
Unrealized appreciation of investment securities	23,235
	<b>\$ 37,340</b>

**NOTE C – GRANTS RECEIVABLE**

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

City of New Orleans	\$ 56,780
Unity of Greater New Orleans, Inc.	90,728
Downtown Development District	4,656
	<b>\$ 152,164</b>

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2019**

**NOTE D – RETIREMENT PLAN**

The Corporation sponsors a defined contribution pension plan covering all employees twenty-one years or older who have worked for the corporation over three years. The plan provides for contributions in such amounts as the Board of Directors may determine annually. The contribution rate remained unchanged from the prior year. The pension expense for the year ended June 30, 2019 totaled \$26,766.

**NOTE E – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

Travelers Aid Society of Greater New Orleans maintains operating revenue for general expenditures. The current financial assets totaling \$1,057,420 at June 30, 2019 are available for general expenditures, that is, without donor or other restrictions limiting their use.

As part of Travelers Aid Society of Greater New Orleans' liquidity management, it primarily maintains its current assets in cash and cash equivalents, investments, and receivables.

**NOTE F – RENT EXPENSE**

The corporation received rent free use of the office space from the City of New Orleans totaling \$120,415 for the year ended June 30, 2019.

**NOTE G – CONCENTRATION OF CREDIT RISK**

The Corporation's cash balances as of June 30, 2019, before deducting outstanding checks, consist of the following:

Financial institutions	\$ 425,625
Less: FDIC insurance	<u>&lt; 250,000 &gt;</u>
Unsecured balance	<u>\$ 175,625</u>

Approximately 72% of the Corporation's revenue comes from two grantors, the City of New Orleans and Unity of Greater New Orleans, Inc. The \$125,000 United Way grant provides 7% of total revenue.

Unity of Greater New Orleans, Inc. accounts for 60% of the Corporation's grants receivables.

**NOTE H - INCOME TAXES**

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

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

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

June 30, 2019

**NOTE I - BOARD OF DIRECTORS' COMPENSATION**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

**NOTE J – FAIR VALUES OF FINANCIAL INVESTMENTS**

Statement of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in the FASB ASC 820-10 requires disclosure of the estimated fair value of certain financial instruments and the methods and significant assumptions used to estimate their fair value. Financial instruments within the scope of FASB ASC 820-10 are included in the table below.

**Fair Value Measurement of Reporting Date**

		<b>Quoted Prices in Active Markets for Identical Assets <u>(Level 1)</u></b>	<b>Significant Other Observable Inputs <u>(Level 2)</u></b>	<b>Significant Unobservable Inputs <u>(Level 3)</u></b>
Mutual funds	<u>\$ 543,343</u>	<u>\$ 543,343</u>	<u>\$ -</u>	<u>\$ .</u>

The assumptions to estimate fair values are as follows:

The fair value of the investment securities are based on quoted market prices for those or similar investments.

**SUPPLEMENTAL INFORMATION**

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**COMBINED STATEMENT OF ACTIVITIES**

For the year ended June 30, 2019

	<u>General</u>	<u>Emergency Shelter Grant</u>	<u>EFSP</u>	<u>Unity Of Greater New Orleans, Inc.</u>	<u>Downtown Development District</u>	<u>Total</u>
<b>REVENUE</b>						
United Way	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000
Grant revenue	15,528	153,919	13,000	1,108,340	57,991	1,348,778
Contributions	24,040	-	-	-	-	24,040
Investment income	37,340	-	-	-	-	37,340
Other	69,624	-	-	-	-	69,624
In-kind support	<u>120,415</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,415</u>
Total revenues	<u>391,947</u>	<u>153,919</u>	<u>13,000</u>	<u>1,108,340</u>	<u>57,991</u>	<u>1,725,197</u>
<b>EXPENSES</b>						
Salaries	173,133	77,581	-	278,104	40,134	568,952
Fringe benefits	51,010	14,580	-	65,103	9,486	140,179
Travel	6,408	-	-	10,118	990	17,516
Professional fees	3,144	-	-	5,345	-	8,489
Occupancy expense	120,415	-	-	-	-	120,415
Specific assistance	20,416	51,388	13,000	729,686	-	814,490
Supplies	1,422	450	-	3,614	72	5,558
Telephone	487	7,194	-	363	-	8,044
Other	<u>9,902</u>	<u>2,726</u>	<u>-</u>	<u>16,007</u>	<u>7,309</u>	<u>35,944</u>
Total expenses	<u>386,337</u>	<u>153,919</u>	<u>13,000</u>	<u>1,108,340</u>	<u>57,991</u>	<u>1,719,587</u>
Increase <decrease> in net assets	5,610	-	-	-	-	5,610
Transfer to/from general fund	-	-	-	-	-	-
Net assets, beginning of year	<u>1,057,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,057,756</u>
Net assets, end of year	<u>\$ 1,063,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,063,366</u>

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**STATEMENT OF ACTIVITIES BY PROGRAM**

**For the year ended June 30, 2019**

	<u>CRISIS INTERVENTION</u>	<u>SELF HELP</u>	<u>TOTAL</u>
<b>REVENUE</b>			
Direct program revenue:			
Grant appropriation	\$ 1,312,807	\$ 35,971	\$ 1,348,778
Total direct program revenues	<u>1,312,807</u>	<u>35,971</u>	<u>1,348,778</u>
Unrestricted revenue	131,004	-	131,004
In-kind support	<u>108,373</u>	<u>12,042</u>	<u>120,415</u>
Total self-generated revenue	1,552,184	48,013	1,600,197
United Way	<u>75,000</u>	<u>50,000</u>	<u>125,000</u>
Total revenue	<u>1,627,184</u>	<u>98,013</u>	<u>1,725,197</u>
<b>EXPENSES</b>			
Salaries	515,635	21,327	536,962
Benefits	83,538	4,300	87,838
Payroll taxes	41,516	1,750	43,266
Occupancy expense	90,311	12,042	102,353
Travel	15,362	4,841	20,203
Supplies	2,554	331	2,885
Printing	1,749	173	1,922
Direct assistance to individuals	760,144	54,346	814,490
Other	<u>41,011</u>	<u>6,564</u>	<u>47,575</u>
Total direct program expenses	<u>1,551,820</u>	<u>105,674</u>	<u>1,657,494</u>
Support service expenses	<u>58,134</u>	<u>3,959</u>	<u>62,093</u>
Total expenses	<u>1,609,954</u>	<u>109,633</u>	<u>1,719,587</u>
<b>INCREASE &lt;DECREASE&gt; IN NET ASSETS</b>	<u>\$ 17,230</u>	<u>\$ &lt;11,620&gt;</u>	<u>\$ 5,610</u>

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2019

PROGRAM TITLE	<u>PASS THROUGH GRANTOR NO.</u>	<u>FEDERAL CFDA NUMBER</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
<b><u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Funds passed through Unity of Greater New Orleans, Inc.:			
Continuum of Care Program			
The Journey Home	LA0280L6H031701	14.267	\$ 427,060
Housing First Permanent Housing Project	LA0184L6H031706	14.267	310,513
Housing First Permanent Housing Project	LA0184L6H031605	14.267	219,443
Day Care Coordinated Entry	LA0276L6H031701	14.267	124,642
Funds passed through City of New Orleans:			
Emergency Solutions Grant	ESG-032B	14.231	<u>153,919</u>
<b>Total U. S. Department of Housing and Urban Development</b>			<u><b>1,235,577</b></u>
<b><u>U. S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
Funds passed through United Way of Greater New Orleans, Inc.:			
Emergency Food and Shelter National Board Program	-	97.114	<u>13,000</u>
<b>Total U. S. Department of Homeland Security</b>			<u><b>13,000</b></u>
<b>Total Federal Awards</b>			<u><b>\$ 1,248,577</b></u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**A. Basis of Presentation**

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

**B. Summary of Significant Accounting Policies**

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

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED**

**For the year ended June 30, 2019**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED**

**C. Non-federal contributions**

The matching contributions for the Continuum of Care Program totaled \$82,592 for the year ended June 30, 2019.

**D. Indirect Cost Rate**

Travelers Aid Society of Greater New Orleans has not elected to use the 10% de minimis indirect cost rate.

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

*For the year ended June 30, 2019*

**Agency Head: Karen L. Martin**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 123,135
Retirement	6,075
Hospitalization	5,977
Life/Disability	2,736
Worker's Compensation	1,394
Parking	1,320
Professional Development	487

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

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors  
Travelers Aid Society of Greater New Orleans

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 Travelers Aid Society of Greater New Orleans (non-profit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, fundamental expense and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2019.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Travelers Aid Society of Greater New Orleans' 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 Travelers Aid Society of Greater New Orleans' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

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

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



New Orleans, Louisiana  
September 30, 2019

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

Board of Directors  
Travelers Aid Society of Greater New Orleans

### Report on Compliance for Each Major Federal Program

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

### Management's Responsibility

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

### Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Travelers Aid Society of Greater New Orleans' compliance.

### Opinion on Each Major Federal Program

In our opinion, Travelers Aid Society of Greater New Orleans complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

## Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Justin J. Scanlon, CPA, LLC*

New Orleans, Louisiana  
September 30, 2019

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the year ended June 30, 2019**

**A. SUMMARY OF THE AUDIT RESULTS**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_yes X no
- Significant deficiency(ies) identified? \_\_\_yes X none reported
- Noncompliance material to financial statements noted? \_\_\_yes X no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_yes X no
- Significant deficiency(ies) identified? \_\_\_yes X none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.267	U. S. Department of Housing and Urban Development; Passed through Unity of Greater New Orleans, Inc. Continuum of Care Program

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

Auditee qualified as low-risk auditee? \_\_\_yes X no

**TRAVELERS AID SOCIETY OF GREATER NEW ORLEANS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED**

**For the year ended June 30, 2019**

**B. FINANCIAL STATEMENT FINDINGS**

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

**C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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

**D. STATUS OF PRIOR YEAR AUDIT FINDINGS**

There were no prior year audit findings.