

**CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER**  
**Baton Rouge, Louisiana**

**AUDITED FINANCIAL STATEMENTS**  
**December 31, 2017 and 2016**



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*CPAs & Financial Advisors*

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Capital Area Family Violence Intervention Center  
Baton Rouge, Louisiana

We have audited the accompany financial statements of Capital Area Family Violence Intervention Center (CAFVIC) (a not for profit organization) which comprise the statements of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, statement of 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 opinions on these financial statements based on our audit. We conducted our audits 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 of 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 principles 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 opinions.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Capital Area Family Violence Intervention Center as of December 31, 2017, and the respective changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to agency head on page 13 is required by the Louisiana Revised Statute 24:513(A)(3) and is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head or chief executive officer are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic 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 of the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2018, on our consideration of CAFVIC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CAFVIC's internal control over financial reporting and compliance.

## Prior Period Financial Statements

The financial statements of Capital Area Family Violence Intervention Center as of and for the year ended December 31, 2016, were audited by other auditors whose report dated May 26, 2017, expressed an unmodified opinion on those statements.

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June 28, 2018

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

STATEMENTS OF FINANCIAL POSITION  
(See Notes to Financial Statements)  
December 31, 2017 and 2016

	<u>ASSETS</u>		2017		2016
<b>ASSETS</b>					
Cash and Cash Equivalents		\$	85,164	\$	213,553
Grants receivable			336,930		178,965
Prepaid expenses			18,538		21,195
			440,632		413,713
<b>TOTAL CURRENT ASSETS</b>					
<b>PROPERTY AND EQUIPMENT</b>					
Furniture, Fixtures and Equipment			407,231		407,231
Building			985,880		954,712
			1,393,111		1,361,943
<b>TOTAL PROPERTY AND EQUIPMENT</b>					
Less Accumulated Depreciation			(1,010,498)		(955,054)
			382,613		406,889
Land			45,000		45,000
			427,613		451,889
<b>NET PROPERTY AND EQUIPMENT</b>					
			427,613		451,889
<b>TOTAL ASSETS</b>		\$	868,245	\$	865,602
	<u>LIABILITIES AND NET ASSETS</u>				
<b>CURRENT LIABILITIES</b>					
Accounts payable		\$	49,519	\$	18,254
Accrued expenses			1,298		-
Accrued payroll liabilities			31,477		35,666
			82,294		53,920
<b>TOTAL LIABILITIES (ALL CURRENT)</b>					
			82,294		53,920
<b>NET ASSETS</b>					
Unrestricted			729,540		795,823
Temporarily restricted			56,411		15,859
			785,951		811,682
<b>TOTAL NET ASSETS</b>					
			785,951		811,682
<b>TOTAL LIABILITIES AND NET ASSETS</b>		\$	868,245	\$	865,602

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
(See Notes to Financial Statements)  
For the Years Ended December 2017 and 2016

	2017	2016
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		
Grants:		
Federal	\$ 657,103	\$ 436,284
Local	250,000	250,000
State	68,631	279,022
United Way	145,000	196,549
Fundraising	92,677	186,101
Interest income	-	12
Other income	27,107	55,152
Total unrestricted revenues and gains	1,240,518	1,403,120
Net assets released from restrictions	10,530	48,522
Total Unrestricted Revenues and Other Support	1,251,048	1,451,642
<b>EXPENSES</b>		
Program services:		
Residential services	910,117	957,255
Education and training	10,074	10,957
Legal services	68,764	57,523
Outreach	76,304	67,942
Supporting services:		
General and administrative	234,805	210,661
Fundraising	17,267	26,166
Total expenses	1,317,331	1,330,504
Increase(decrease) in unrestricted net assets	(66,283)	121,138
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Grant Revenue	51,082	10,000
Net assets release from restrictions	(10,530)	(48,522)
Increase(Decrease) in Temporarily Restricted Net Assets	40,552	(38,522)
(Decrease) Increase in Net Assets	(25,731)	82,616
Net Assets, Beginning of year	811,682	729,066
Net Assets, End of year	\$ 785,951	\$ 811,682

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES  
(See Notes to Financial Statements)  
For the Year Ended December 31, 2017

	Program Services					General & Administrative	Total Expense
	Residential Services	Education & Training	Legal Services	Outreach Services	Fundraising		
Salaries	\$ 143,998	\$ 2,168	\$ 7,750	\$ 12,541	\$ 3,823	\$ 20,875	\$ 191,155
Hourly Wages	337,133	6,065	10,121	31,802	7,860	-	392,981
Contract Attorneys	60,802	-	34,841	-	-	-	95,643
Employee Benefits	29,624	126	-	1,024	1,330	34,412	66,516
Payroll Taxes	43,105	516	1,192	2,950	1,005	1,491	50,259
Supplies	26,434	-	-	195	-	253	26,882
Financial Assistance	22,556	-	834	16,895	-	-	40,285
Occupancy - Rent	10,040	-	-	2,445	-	-	12,485
Professional Fees	38,590	-	14,026	-	-	141,111	193,727
Computer Support	17,409	712	-	3,411	1,918	2,005	25,455
Community Development	-	-	-	19	-	341	360
Credit Card & Other Service Charges	1,509	-	-	-	334	444	2,287
Depreciation	55,444	-	-	-	-	-	55,444
Dues & Subscriptions	3,273	-	-	-	-	312	3,585
Equipment Rental	2,110	-	-	-	-	1,580	3,690
Fundraising	-	-	-	-	-	3,563	3,563
Insurance	48,971	-	-	-	-	5,299	54,270
Interest Expenses	1,850	-	-	-	-	-	1,850
Office Supplies	3,568	62	-	7	-	2,534	6,171
Other Expenses	7,297	298	-	1,430	804	840	10,669
Postage & Delivery	44	-	-	-	160	56	260
Repairs & Maintenance	20,849	-	-	-	-	853	21,702
Security-Contract Labor	1,020	-	-	-	-	-	1,020
Telephone	16,920	-	-	2,007	-	4,725	23,652
Travel Expenses	1,428	127	-	442	33	21	2,051
Utilities	16,143	-	-	1,136	-	14,090	31,369
	<u>\$ 910,117</u>	<u>\$ 10,074</u>	<u>\$ 68,764</u>	<u>\$ 76,304</u>	<u>\$ 17,267</u>	<u>\$ 234,805</u>	<u>\$ 1,317,331</u>

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES  
(See Notes to Financial Statements)  
For the Year Ended December 31, 2016

	Program Services				Fundraising	General & Administrative	Total Expense
	Residential Services	Education & Training	Legal Services	Outreach Services			
Salaries	\$ 201,281	\$ 3,030	\$ 10,833	\$ 17,530	\$ 5,344	\$ 29,179	\$ 267,197
Hourly Wages	303,753	5,464	9,119	28,658	7,081	-	354,075
Contract Attorneys	48,443	-	27,758	-	-	-	76,201
Employee Benefits	40,894	174	-	1,414	1,836	47,504	91,822
Payroll Taxes	42,147	505	1,165	2,884	983	1,458	49,142
Supplies	43,649	-	-	1,042	-	427	45,118
Financial Assistance	10,145	-	162	3,729	-	-	14,036
Occupancy - Rent	9,127	-	-	2,223	-	-	11,350
Professional Fees	23,348	-	8,486	-	-	85,377	117,211
Computer Support	13,375	547	-	2,620	1,474	1,541	19,557
Community Development	-	-	-	543	-	9,947	10,490
Credit Card & Other Service Charges	1,558	-	-	-	345	458	2,361
Depreciation	56,633	-	-	-	-	-	56,633
Dues & Subscriptions	2,969	-	-	-	-	283	3,252
Equipment Rental	2,162	-	-	-	-	1,618	3,780
Fundraising	-	-	-	-	7,659	-	7,659
Insurance	37,976	-	-	-	-	4,110	42,086
Interest Expenses	3,761	-	-	-	-	-	3,761
Office Supplies	9,071	157	-	17	-	6,443	15,688
Other Expenses	7,220	295	-	1,414	796	831	10,556
Postage & Delivery	122	-	-	-	441	156	719
Repairs & Maintenance	41,225	-	-	-	-	1,688	42,913
Security-Contract Labor	16,140	-	-	-	-	-	16,140
Telephone	16,291	-	-	1,932	-	4,549	22,772
Travel Expenses	8,825	785	-	2,730	207	132	12,679
Utilities	17,140	-	-	1,206	-	14,960	33,306
	<u>\$ 957,255</u>	<u>\$ 10,957</u>	<u>\$ 57,523</u>	<u>\$ 67,942</u>	<u>\$ 26,166</u>	<u>\$ 210,661</u>	<u>\$ 1,330,504</u>

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
(See Notes to Financial Statements)  
For the Years Ended December 2017 and 2016

	2017	2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (25,731)	\$ 82,616
Adjustments to reconcile change in net assets to net cash		
Depreciation	55,444	56,632
Decrease (Increase) in Assets:		
Grants receivable	(157,965)	56,438
Prepaid expenses	2,657	(1,799)
Increase (Decrease) in Liabilities:		
Accounts Payable	31,265	1,372
Accrued expenses and payroll liabilities	(2,891)	(12,357)
<b>NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES</b>	<b>(97,221)</b>	<b>182,902</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	-	(60,600)
Building Improvements	(31,168)	-
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(31,168)</b>	<b>(60,600)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net payments on line of credit	-	(50,352)
<b>NET CASH USED BY FINANCING ACTIVITIES</b>	<b>-</b>	<b>(50,352)</b>
Net (decrease) increase in cash and cash equivalents	(128,389)	71,950
Cash and cash equivalents at beginning of year	213,553	141,603
Cash and cash equivalents at end of year	\$ 85,164	\$ 213,553

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Capital Area Family Violence Intervention Center, is a Louisiana non-profit agency, incorporated in 1984 to administer programs to assist battered women and their children in the Baton Rouge area and six other surrounding parishes. Such programs include a 24-hour hotline, counseling, advocacy, education, training, legal, and temporary emergency shelter. CAFVIC is supported by primarily through donor contributions, Federal, State, and Local grants and contracts, and contributions from the Capital Area United Way.

Basis of Accounting – CAFVIC prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Financial Statement Presentation – Financial statements presentation follows the guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under ASC, non-profit organizations are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

1. *Unrestricted Net Assets* are net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.
2. *Temporarily Restricted Net Assets* are net assets subject to donor-imposed stipulations that may or will be met, either by actions of CAFVIC and/or the passage of time. 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.
3. *Permanently Restricted Net Assets* are net assets subject to donor-imposed stipulations that may be maintained permanently by CAFVIC. Generally, the donors of these assets permit CAFVIC to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted assets as of December 31, 2017 and 2016.

Revenue Recognition – The Organization accounts for contributions as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions. Contributions are recognized when the donor makes an unconditional promise to give. Contributions restricted by the donor are reported as increases in unrestricted net assets if the restriction expires in the fiscal year in which the support is recognized. All other donor restricted contributions and grants reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose of restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

Concentration of Credit Risk – At various times during the year, cash on deposit with one banking institution may exceed the maximum insured amount allowed by the Federal Deposit Insurance Corporation. Management believes the risk is limited. With regard to receivables, credit risk is limited because the majority of CAFVIC's receivables consist of grants related to other governmental entities. Generally, CAFVIC does not require collateral or other securities to support its accounts receivable.



CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results differ from those estimates. Estimates are used primarily when accounting for depreciation.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, CAFVIC considers all highly liquid investments, both unrestricted and restricted, with a maturity of three months or less to be cash equivalents.

Grants Receivable – Management believes that grants receivable as reflected in the accompanying financial statements are collectible in full therefore no allowance has been recorded at December 31, 2017 and 2016. CAFVIC evaluates the collectability of its grants receivable on an individual claim basis.

Prepaid Expenses – CAFVIC records insurance and similar services which extend over more than one fiscal year as prepaid expenses.

Property and Equipment – CAFVIC's policy is to capitalize property and equipment greater than \$500. Lesser amounts are expensed and maintenance and repairs are charged against earnings when incurred. Property and equipment purchased by the Organization is recorded at cost at the date of acquisition. Depreciation is provided over the estimated useful lives of the respective assets on a straight line basis. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Tax Status – CAFVIC is organized as a non-profit organization that is exempt from taxes under Section 501(c)(3) of the Internal Revenue Code. CAFVIC follows the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management believes that it has no material uncertain tax positions and, accordingly, has not recognized a liability for any tax obligations.

Donated Services – No amounts have been reflected in the financial statements for donated services. CAFVIC generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the entity with assistance programs.

Reclassifications – Certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.



CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Advertising – CAFVIC follows the policy of charging the costs of advertising to expense as incurred. Advertising expense amounted to \$3,024 and \$0 for the years ended December 31, 2017 and 2016, respectively.

NOTE 2: GRANTS RECEIVABLE

Grants receivable at December 31, were as follows:

	<u>2017</u>	<u>2016</u>
Department of Children & Family Services Grant	\$ 200,452	\$ 143,617
Civil and Marriage Fees	9,363	-
La Commission of Law Enforcement & Administration	<u>127,115</u>	<u>35,348</u>
<b>TOTAL</b>	<b><u>\$ 336,930</u></b>	<b><u>\$ 178,965</u></b>

NOTE 3: COMPENSATED ABSENCES

As of December 31, 2017 and 2016, CAFVIC's accumulated paid time off (PTO) was \$4,466 and \$11,071, respectively, which is classified as accrued payroll liabilities.

NOTE 4: RETIREMENT PLAN

CAFVIC provides a 403(b) Thrift Plan to employees completing twelve months of employment and 1,000 service hours. The employee can make voluntary pre-tax contributions from their salary. The employer matches contributions up to six percent of the employee's compensation. During the fiscal years ending December 31, 2017 and 2016, CAFVIC contributed \$5,146 and \$4,382, respectively, to the Plan.

NOTE 5: LINE OF CREDIT

CAFVIC has a revolving line of credit for up to \$100,000 that is due on demand. The line of credit did not have an outstanding balance at the end of December 31, 2017 and 2016. Interest on the line of credit is payable monthly and based on a per annum rate of 6.75%.

NOTE 6: TEMPORARY RESTRICTIONS ON NET ASSETS AND DESIGNATIONS

Temporarily restricted net assets were available for the following purposes at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Red Cross Foundation	\$ 50,597	\$ -
Verizon Foundation-Kids Zone	5,814	5,814
WEMT Grant	-	10,000
Wilson Foundation Grant	<u>-</u>	<u>45</u>
<b>TOTAL</b>	<b><u>\$ 56,411</u></b>	<b><u>\$ 15,859</u></b>



CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016

NOTE 6: TEMPORARY RESTRICTIONS ON NET ASSETS AND DESIGNATIONS (CONTINUED)

Net assets released from restrictions during the year ended December 31, 2017 and 2016 were as follows:

	<u>2017</u>	<u>2016</u>
Red Cross Foundation	\$ 485	\$ -
Verizon Foundation-Kids Zone	-	48,522
WEMT Grant	10,000	-
Wilson Foundation Grant	<u>45</u>	<u>-</u>
<b>TOTAL</b>	<b><u>\$ 10,530</u></b>	<b><u>\$ 48,522</u></b>

NOTE 7: CONCENTRATION OF SUPPORT

CAFVIC receives the majority of its funds through government grants and contracts. For the years ended December 31, 2017 and 2016, CAFVIC received approximately 25% and 36%, respectively, of its revenues from state and local government grants and contracts, and 52% and 30%, respectively, from federal government grants and contracts.

NOTE 8: CONTINGENCIES

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

NOTE 9: INCOME TAXES

In 2009, CAFVIC adopted the recent accounting guidance related to accounting for uncertainty in income taxes, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. CAFVIC's administration recognizes the effect of income tax positions only if the positions are more likely than not of being sustained. Recognized income tax positions are recorded at the largest amount that is greater than 50% likely of being realized. Changes in the recognition or measurement are reflected in the period in which the change in judgment occurs. The entity's administration has evaluated its position regarding the accounting for uncertain income tax positions and does not believe that it has any uncertain tax positions. With few exceptions, CAFVIC is no longer subject to federal, state, or local tax examinations by tax authorities for years before 2014.

NOTE 10: OPERATING LEASES

In 2015 CAFVIC entered into a 5 year lease for the use of a copy machine. The lease requires monthly payments of \$189 plus charges for usage of the copier. For the years ended December 31, 2017 and 2016 rent expense was \$3,690 and \$3,780, respectively. Future minimum payments for the next two years are \$2,286 a year.

CAFVIC has a month to month lease for office space in Ascension parish. The lease requires monthly payments of \$650 per month. Rent expense was \$7,800 for December 31, 2017 and 2016.

CAFVIC has a month to month lease for office space in Iberville parish. The lease requires monthly payments of \$350 per month. Rent expense was \$4,200 for December 31, 2017 and 2016.

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017 and 2016

NOTE 11: RISK MANAGEMENT

CAFVIC is exposed to various risks of loss related to the areas of employee injuries and illness, damage to and destruction of assets, errors and omissions, and unemployment compensation. To handle such risk of loss, CAFVIC maintains commercial insurance policies covering its real and personal property, automobiles, general liability, professional liability, group health and unemployment compensation through individually purchased policies. There have been no significant reductions in the insurance coverage during the year.

NOTE 12: SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 28, 2018, and has determined that no events occurred that require additional disclosure.

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS & OTHER  
PAYMENTS TO AGENCY HEAD  
For the Year Ended December 31, 2017

Agency/Title: Lynne Medley-Long, Executive Director

Purpose	Amount
Salary	\$ 31,381
Benefits - retirement	644
Reimbursements	1,017
	<hr/>
TOTAL COMPENSATION, BENEFITS AND OTHER PAYMENTS	<u>\$ 33,042</u>

Agency/Title: John Price, Executive Director

Purpose	Amount
Salary	\$ 53,890
Benefits - retirement	4,264
Reimbursements	72
	<hr/>
TOTAL COMPENSATION, BENEFITS AND OTHER PAYMENTS	<u>\$ 58,226</u>



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INDEPENDENT AUDITORS' 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  
Capital Area Family Violence Intervention Center

We have audited, 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, the financial statements of CAFVIC (a not for profit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, 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 June 28, 2018.

### Internal Control over Financial Reporting

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

### Purpose of this Report

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

TWRU

CPAs & Financial Advisors  
Baton Rouge, Louisiana  
June 28, 2018

CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER  
Baton Rouge, Louisiana

SUMMARY OF FINDINGS AND RESPONSES  
Year Ended December 31, 2017

NO FINDINGS NOTED

SUMMARY OF PRIOR YEAR FINDINGS AND RESPONSES  
Year Ended December 31, 2017

NO FINDINGS NOTED



INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Capital Area Family Violence Intervention Center and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Capital Area Family Violence Center (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

**Written Policies and Procedures**

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1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:
  - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget  
*No Exceptions Noted.*
  - 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.  
*No Exceptions Noted.*
  - c) **Disbursements**, including processing, reviewing, and approving  
*No Exceptions Noted.*
  - d) **Receipts**, including receiving, recording, and preparing deposits  
*No Exceptions Noted.*
  - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.  
*No Exceptions Noted.*
  - 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  
*No Exceptions Noted.*

- 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, and (5) monitoring card usage  
*No Exceptions Noted.*
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers  
*No Exceptions Noted.*
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.  
*No Exceptions Noted.*
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
*No Exceptions Noted.*

**Board (or Finance Committee, if applicable)**

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- 2. Obtain and review the board/committee minutes for the fiscal period, and:
  - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.  
*Exception:* There were board meetings for 10 out of the 12 months.  
*Management's Corrective Action/Response:* See attached management response letter.
  - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).  
*Exception:* The minutes did not reference or include monthly budget-to-actual comparisons.  
*Management's Corrective Action/Response:* See attached management response letter.
    - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.  
*Not Applicable.*
  - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.  
*No Exceptions Noted.*

## **Bank Reconciliations**

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3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.  
*No Exceptions Noted.*
4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
  - a) Bank reconciliations have been prepared;  
*No Exceptions Noted.*
  - b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and  
*Exception:* Bank reconciliations did not show evidence of review by management or a board member.  
*Management's Corrective Action/Response:* See attached management response letter.
  - c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.  
*Not Applicable.*

## **Collections**

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5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.  
*No Exceptions Noted.*
6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each cash collection location selected:
  - a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.  
*No Exceptions Noted.*

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

*No Exceptions Noted.*

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

*Exception:* One of the deposits was made 7 days after collection.

*Management's Corrective Action/Response:* See attached management response letter.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

*No Exceptions Noted.*

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and 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) by a person who is not responsible for collections.

*No Exceptions Noted.*

#### **Disbursements – General**

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8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

*No Exceptions Noted.*

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

*Exception:* The entity does not use purchase orders.

*Management's Corrective Action/Response:* See attached management response letter.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

**Exception:** The entity does not use purchase orders.

**Management's Corrective Action/Response:** See attached management response letter.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

**Exception:** The entity does not use purchase orders or receiving reports. All of the tested disbursements had invoices or check requests with written approval from the Executive Director.

**Management's Corrective Action/Response:** See attached management response letter.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

**No Exceptions Noted.**

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

**No Exceptions Noted.**

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

**Exception:** The supply of unused checks is kept in a locked location with access restricted to the Executive Director, who also has signatory authority.

**Management's Corrective Action/Response:** See attached management response letter.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

**Not Applicable.**

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

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14. 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.

**No Exceptions Noted.**

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

**Exception:** There was no evidence that the statement was reviewed and approved by someone other than the authorized card holder.

**Management's Corrective Action/Response:** See attached management response letter.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

**Exception:** Interest charges were present on the statement tested.

**Management's Corrective Action/Response:** See attached management response letter.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

➤ An original itemized receipt (i.e., identifies precisely what was purchased)

**No Exceptions Noted.**

➤ Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

**No Exceptions Noted.**

➤ Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

**No Exceptions Noted.**

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

**No Exceptions Noted.**

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

**No Exceptions Noted.**

## **Travel and Expense Reimbursement**

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17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

*No Exceptions Noted.*

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) and report any amounts that exceed GSA rates.

*No Exceptions Noted.*

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

*No Exceptions Noted.*

b) Report whether each expense is supported by:

➤ An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

*No Exceptions Noted.*

➤ Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

*No Exceptions Noted.*

➤ Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

*No Exceptions Noted.*

c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

*No Exceptions Noted.*

d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*No Exceptions Noted.*

## **Contracts**

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20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

*No Exceptions Noted.*

21. Using the listing above, select the five contract "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

*No Exceptions Noted.*

b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

➤ If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

➤ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

*Not Applicable.*

c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

*No Exceptions Noted.*

d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

*No Exceptions Noted.*

e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

*Not Applicable.*

## **Payroll and Personnel**

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22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

*No Exceptions Noted.*

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

*No Exceptions Noted.*

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether 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.)

*No Exceptions Noted.*

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

*No Exceptions Noted.*

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

*No Exceptions Noted.*

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

*No Exceptions Noted.*

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

*No Exceptions Noted.*

#### **Ethics (excluding nonprofits)**

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26. Using the five randomly selected employees/officials from procedure #22 under "Payroll and Personnel" above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

*Not Applicable to Nonprofits.*

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management's actions complied with the entity's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

*Not Applicable to Nonprofits.*

#### **Debt Service (excluding nonprofits)**

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28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

*Not Applicable to Nonprofits.*

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

*Not Applicable to Nonprofits.*

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

*Not Applicable to Nonprofits.*

#### **Other**

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31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*No Exceptions Noted.*

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline)) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

*Exception:* The entity did not have the notice posted on premise and website.

*Management's Corrective Action/Response:* See attached management response letter.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

*No Exceptions Noted.*

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

The logo for TWRA (Tennessee Workforce Resource Agency) is rendered in a stylized, hand-drawn font. The letters are thick and have a slightly irregular, textured appearance, giving it a grassroots or community-oriented feel.

CPAs & Financial Advisors  
Baton Rouge, Louisiana  
June 28, 2018



Formerly operating as Capital Area Family Violence Intervention Center/Battered Women's Program

P.O. Box 52809, Baton Rouge, LA 70892 • www.stopdv.org  
Phone (225)-389-3002 Fax (225) 358-3444

24 Hour Crisis Hotline (225) 389-3001 or 1(800) 541-9706

East Baton Rouge (225) 389-8250 • West Baton Rouge (225) 332-2509  
• Ascension (225) 644-4916 • Iberville (225) 687-1314 • Pointe Coupee (225) 638-9507  
• Feliciana's (225) 683-2755

**CAPITAL AREA FAMILY VIOLENCE INTERVENTION CENTER'S  
RESPONSE AND CORRECTIVE ACTION TO INDEPENDENT ACCOUNTANT REPORT  
ON STATEWIDE AGREED UPON PROCEDURES (SAUP)**

In response to the SAUP report of the independent auditing firm for compliance with SAUP, Capital Area Family Violence Intervention Center responds as follows for each noted issue:

**Board (or Finance committee, if applicable)**

**2. a) Management's Corrective Action Response:**

The Board of Directors for Capital Area Family Violence Intervention Center meets monthly. However, throughout the year, it may become necessary to miss a meeting or skip a month due to conflicting schedules. Since June, 2017, and obtaining a larger number of Directors, CAFVIC has met regularly every month and no months have been missed or meetings cancelled. CAFVIC believes that Board oversight has not been compromised or negatively impacted by missing any monthly meetings.

**2. b) Management's Corrective Action Response:**

A Board of Director's Finance Committee comprised of Executive Director, a representative of CPA firm contracted to CAFVIC for bookkeeping and accounts payable, and the Treasurer of the CAFVIC Board of Directors, meets on the Friday prior to the Board's meeting to review the prior month's financial statement and make budget to actual cost and expense comparisons. The Finance Committee reports to the Board at each meeting as part of the regular agenda. CAFVIC will ensure that the minutes of the Board reflect the Finance Committee report and the financial comparisons that are made.

**Bank Reconciliations**

**4. b) Management's Corrective Action Response:**

Bank reconciliations are included in the Finance Committee meeting prior to the CAFVIC Board meeting and reviewed by the Executive Director, Board treasurer and CPA representative. Corrective action will be to provide evidence of the review by having Finance Committee member sign off on the reconciliation evidencing a review of the financial information.

**Collections**

**6. c) Management's Corrective Action Response:**

CAFCVIC makes bank deposits to its operations account on approximately a weekly basis and believes that this has been effective and efficient in the operations of the agency. Under our current operating procedures, only two individuals bear responsible to make the bank deposits (Executive Director and Development Director) and CAFVIC prefers to limit the handling of money and bank deposits to those

individuals. CAFVIC will strive to increase the frequency of the bank deposits and avoid deposits being held for more than 7 days after collection.

#### **Disbursements – General**

##### **9. a) – b) – c) Management's Corrective Action Response:**

CAFVIC uses purchase orders but only for recurring items such as office supplies, food and supply stocking, etc. For all other expenses, Financial Request forms are submitted and reviewed prior to issuance of payment via bank check, electronic check or credit card purchase. Financial requests are initiated in one of three ways and utilize one of three separate forms: (1) A purchase order for regular and recurrent office needs such as office supplies, food, etc.; (2) A Check Request, Expense Input and Reconciliation Form for in-house reimbursements or administrative/office expenses not regularly occurring; and (3) an Emergency Financial Assistance Request typically used to pay for survivor services. The requesting party completes the form and submits to their supervisor (if needed) and it ultimately is reviewed by the Executive Director for final approval and issuance. This system has worked well and provides an immediate identification of the nature and type of expense approval being requested based on the form submitted.

In the future, if the Executive Director is requesting the funds and issuing the payment, a Financial Check Request will be completed prior to or contemporaneous with the issuing of the payment.

##### **12. Management's Corrective Action Response:**

CAFVIC currently maintains a supply of unused checks, in a locked filing cabinet, in the locked office of the Executive Director, who is the only individual within the operations of the agency with the authority to issue a check for any amount. CAFVIC believes that the system in use is both efficient and necessary and actually provides sufficient security. Moreover, the need to have one person with check writing authority have the checks in their possession and be able to respond to emergency requests for funding of operations or survivor needs, has not been a problem in the past and works best from an efficiency standpoint. CAFVIC will consider and work to provide oversight of the checkbook to another individual without signatory authority who may, with review, provide oversight over the person with signatory authority, the Executive Director.

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

##### **15. a) Management's Corrective Action Response:**

The Executive Director both approves and reviews monthly credit card statements for the agency. Those monthly statements are copied to a hard file which is maintained by the agency and reviewed by the office administrator who is someone other than the holder or possessor of the card. Additionally, the monthly statements are electronically scanned to a file which is kept on the agency server and are also available to the office administrator and accounting firm. The monthly credit card statements are a portion of the monthly financial statement presented to the Finance Committee prior to the Board of Directors. The agency maintains that with all things considered, the limitation of credit card charges to 1 singular card, with appropriate security and review measures, is an efficient operation with effective and sufficient oversight, meeting the requirements of best practices for 15. a) .

**15. b) Management's Corrective Action Response:**

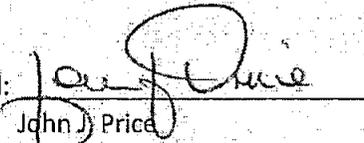
CAFVIC will work to be better organized and efficient in paying credit card statement owed on a timely basis and avoid finance and late charges.

**Other**

**32. Management's Corrective Action Response:**

CAFVIC will post the required notice of La. R.S. 234:523.1 concerning the reporting of misappropriation, fraud, waste or abuse of public funds.

Signed:

  
John J. Price  
Executive Director

Date:

00/28/18