

**START Corporation**

Financial Statements  
and Independent Auditor's Report  
June 30, 2019 and 2018

**START Corporation**  
Financial Statements and  
Independent Auditor's Report  
June 30, 2019 and 2018

**Table of Contents**

	<b><u>Page</u></b>
<b>Independent Auditor's Report</b>	1-3
<b>Financial Statements</b>	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8-23
<b>Supplemental Information</b>	
Schedule of Program Revenues and Expenses	24-28
Schedule of Compensation, Benefits, and Other Payments to the Executive Director	29
<b>Reports Required by <i>Government Auditing Standards</i> and Uniform Guidance</b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	30-31
Schedule of Findings and Questioned Costs	32
Schedule of Prior Findings and Resolution Matters	33
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	34-35
Schedule of Expenditures of Federal Awards	36-37
Notes to the Schedule of Expenditures of Federal Awards	38
<b>Statewide Agreed-Upon Procedures</b>	
Independent Accountant's Report on Applying Agreed-Upon Procedures	39
Schedule of Procedures and Associated Findings of the Statewide Agreed-Upon Procedures	40-52

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
START Corporation  
Houma, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of START Corporation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 START Corporation 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.

### **Prior Period Financial Statements**

The financial statements, as of and for the year ended June 30, 2018, were audited by other auditors, whose report dated December 28, 2018, expressed an unmodified opinion on those statements.

### ***Other Matters***

#### *Supplementary and Other 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 the Executive Director on page 29 and the accompanying Schedule of Expenditures of Federal Awards on pages 36 and 37, as required by 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), are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to the Executive Director and the Schedule of Expenditures of Federal Awards are 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 December 27, 2019, on our consideration of START Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of START Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering START Corporation's internal control over financial reporting and compliance.



Houma, Louisiana  
December 27, 2019

**FINANCIAL STATEMENTS**

**START Corporation**  
**Statements of Financial Position**  
June 30, 2019 and 2018

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 690,845	\$ 1,018,668
Promises to give	3,191,097	2,418,468
Medicaid receivables	1,298,038	536,880
Medicare receivables	147,719	35,387
Other health-related receivables	309,793	335,810
Related party receivables	20,883	16,372
Other receivables	7,318	137
Prepaid expenses and deposits	1,110,333	980,245
Total current assets	6,776,026	5,341,967
Property and equipment, net of accumulated depreciation of \$1,107,514 and \$906,950	3,164,904	2,944,668
<b>TOTAL ASSETS</b>	<b>\$ 9,940,930</b>	<b>\$ 8,286,635</b>
 <b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 156,577	\$ 210,942
Accrued payroll and other liabilities	770,685	649,106
Lines of credit	700,000	-
Current portion of capital lease obligation	80,461	32,244
Current maturities of long-term debt	22,370	169,839
Total current liabilities	1,730,093	1,062,131
Long-term liabilities		
Capital lease obligations, less current portion	258,856	163,878
Long-term debt, net of current maturities	1,507,258	1,378,143
Total long-term liabilities	1,766,114	1,542,021
Total liabilities	3,496,207	2,604,152
Net assets		
Without donor restrictions	6,319,723	5,557,483
With donor restrictions	125,000	125,000
Total net assets	6,444,723	5,682,483
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 9,940,930</b>	<b>\$ 8,286,635</b>

See accompanying notes.

**START Corporation**  
**Statements of Activities**  
For the Years Ended June 30, 2019 and 2018

	2019			2018		
	Without Restrictions	With Restrictions	Total	Unrestricted	Temporary Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>						
Grants and other funding	\$ 14,957,418	\$ -	\$ 14,957,418	\$ 12,479,181	\$ -	\$ 12,479,181
Medicaid revenue	8,324,134	-	8,324,134	6,341,026	-	6,341,026
Pharmacy revenue	2,838,676	-	2,838,676	3,906,073	-	3,906,073
Medicare revenue	375,539	-	375,539	252,520	-	252,520
Insurance revenue	319,954	-	319,954	166,623	-	166,623
Program service and other fees	157,691	-	157,691	282,824	-	282,824
Clinic revenue	155,576	-	155,576	19,278	-	19,278
Dental revenue	152,702	-	152,702	23,208	-	23,208
Income from related parties	126,127	-	126,127	105,481	-	105,481
Interest income	59,076	-	59,076	40,435	-	40,435
Other income	11,552	-	11,552	49,000	-	49,000
Contributions	5,160	-	5,160	22,263	-	22,263
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>27,483,605</b>	<b>-</b>	<b>27,483,605</b>	<b>23,687,912</b>	<b>-</b>	<b>23,687,912</b>
<b>FUNCTIONAL EXPENSES</b>						
Program services	26,351,312	-	26,351,312	20,243,142	-	20,243,142
Supporting services						
Management and general	370,053	-	370,053	284,473	-	284,473
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>26,721,365</b>	<b>-</b>	<b>26,721,365</b>	<b>20,527,615</b>	<b>-</b>	<b>20,527,615</b>
<b>INCREASE IN NET ASSETS</b>	<b>762,240</b>	<b>-</b>	<b>762,240</b>	<b>3,160,297</b>	<b>-</b>	<b>3,160,297</b>
<b>NET ASSETS, BEGINNING OF PERIOD</b>	<b>5,557,483</b>	<b>125,000</b>	<b>5,682,483</b>	<b>2,397,186</b>	<b>125,000</b>	<b>2,522,186</b>
<b>NET ASSETS, END OF PERIOD</b>	<b>\$ 6,319,723</b>	<b>\$ 125,000</b>	<b>\$ 6,444,723</b>	<b>\$ 5,557,483</b>	<b>\$ 125,000</b>	<b>\$ 5,682,483</b>

See accompanying notes.

**START Corporation**  
**Statements of Functional Expenses**  
**For the Years Ended June 30, 2019 and 2018**

	<b>2019</b>			<b>2018</b>		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries	\$ 10,448,680	\$ 112,957	\$ 10,561,637	\$ 7,279,709	\$ 86,901	\$ 7,366,610
Client assistance	6,621,911	-	6,621,911	6,261,212	-	6,261,212
Professional fees	3,396,652	21,999	3,418,651	1,584,649	38,314	1,622,963
Supplies and materials	1,651,245	42,061	1,693,306	2,080,806	39,610	2,120,416
Employee benefits	1,194,361	12,871	1,207,232	861,289	6,606	867,895
Payroll taxes	805,761	6,048	811,809	567,129	3,986	571,115
Insurance	415,819	11,872	427,691	249,606	9,758	259,364
Security	381,790	-	381,790	44,835	-	44,835
Travel	337,761	8,013	345,774	265,898	10,488	276,386
Telephone	220,597	23,045	243,642	186,189	12,636	198,825
Rent	216,642	1,805	218,447	147,922	-	147,922
Depreciation	187,844	12,720	200,564	111,501	11,033	122,534
Maintenance and repairs	131,808	33,344	165,152	147,884	8,963	156,847
Bad debts	127,277	5,113	132,390	227,101	30	227,131
Utilities	46,028	4,705	50,733	47,144	4,977	52,121
Dues and subscriptions	42,421	1,569	43,990	3,442	1,895	5,337
Advertising	20,439	22,610	43,049	12,077	3,301	15,378
Licenses, taxes, and fees	12,790	23,548	36,338	6,017	8,029	14,046
Training	34,549	465	35,014	62,757	-	62,757
Interest	18,790	12,093	30,883	9,036	30,402	39,438
Miscellaneous	22,703	2,001	24,704	15,968	1,681	17,649
Bank charges	4,666	9,262	13,928	2,491	3,403	5,894
Stipends	7,598	-	7,598	65,723	-	65,723
Postage and delivery	3,130	1,952	5,082	2,757	2,460	5,217
Donations	50	-	50	-	-	-
<b>Total Expenses</b>	<b>\$ 26,351,312</b>	<b>\$ 370,053</b>	<b>\$ 26,721,365</b>	<b>\$ 20,243,142</b>	<b>\$ 284,473</b>	<b>\$ 20,527,615</b>

See accompanying notes.

**START Corporation**  
**Statements of Cash Flows**  
For the Years Ended June 30, 2019 and 2018

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 762,240	\$ 3,160,297
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	200,564	122,534
Increase in operating assets:		
Promises to give	(772,629)	(1,091,973)
Medicaid receivables	(761,158)	(456,399)
Other receivables	(98,007)	(345,391)
Prepaid expenses	(130,088)	(474,136)
Increase (decrease) in operating liabilities:		
Accounts payable	(54,365)	210,410
Accrued payroll and other liabilities	121,579	148,762
	<u>(731,864)</u>	<u>1,274,104</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(420,800)	(508,407)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances (repayments) on lines of credit, net	700,000	(443,364)
Proceeds from capital lease obligations	229,550	224,870
Principal payments of capital lease obligations	(86,355)	(28,748)
Proceeds from long-term debt	150,000	150,000
Principal payments of long-term debt	(168,354)	(24,031)
	<u>824,841</u>	<u>(121,273)</u>
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(327,823)	644,424
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	1,018,668	374,244
<b>ENDING CASH AND CASH EQUIVALENTS</b>	\$ 690,845	\$ 1,018,668
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	\$ 30,883	\$ 39,438

See accompanying notes.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 1 – Summary of Significant Accounting Policies**

- A. Nature of the Organization – START Corporation (START) operates as a non-profit organization which provides rehabilitation services, training, placement, and employment for mentally and physically handicapped individuals in the Louisiana Parishes of Terrebonne, Lafourche, St. John, St. James, St. Mary, Assumption, Orleans, and St. Charles.
- B. Basis of Presentation – The financial statements are prepared on the accrual basis in accordance with U. S. generally accepted accounting principles.
- C. Cash and Cash Equivalents – For purposes of the statement of cash flows, START considers all unrestricted cash and highly liquid investments with initial maturities of three months or less to be cash equivalents.
- D. Promises to Give – Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.
- E. Bad Debts – The financial statements of START Corporation contain no allowance for uncollectible receivables. Uncollectible accounts are recognized as an expense at the time information becomes available that indicates the amounts are uncollectible. While accounting principles generally accepted in the United States of America require that bad debts be recorded utilizing the allowance method, the difference between the two methods is immaterial to the Organization, as management considers all receivables to be fully collectible.
- F. Property and Equipment – Property and equipment of the Organization, excluding donated property and equipment, are valued at cost. All donated property and equipment are recorded at estimated fair market value on the date of the donation. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the assets. Depreciation expense for the years ended June 30, 2019 and 2018 was \$200,564 and \$122,534, respectively. Property and equipment acquisitions are capitalized if the purchase exceeds \$1,000 and the asset has a useful life of greater than one year.
- G. Net Assets – Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of START Corporation and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of START Corporation and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

H. Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by management. Principal programs are as follows:

- Supportive Housing Programs (SHP) – These permanent housing programs provide rental assistance and case management to qualifying participants, including those persons who are homeless, disabled, and victims of domestic violence. There is no timeframe for participation once enrolled in the program. Referrals come from the coordinated entry access points in the area. Services consist of skills training, education about disabilities, and assistance in accessing community resources, among other things. The programs included are: Fresh Start, Visions II, Starting Over, Safe Start 1, and Starting Point.
- Shelter + Care Programs – These programs are designed to provide housing and supportive services to individuals and families with disabilities that meet HUD's definition of homelessness and have a physical, developmental, or behavioral disability as defined by each specific program. These programs work closely with Permanent Supportive Housing. Services are available in Houma, New Orleans, Jefferson Parish, Northshore, and Lafayette.
- Community-Based Recovery Services (CBRS) – This program is provided to people needing supports to live independently in the community. In addition to the Community Based Recovery Services, participants may receive a housing voucher or subsidized housing unit as part of their individualized service package. Recovery is strengthened and supported by having safe and stable housing, access to basic needs, being a part of a supportive social network, and having meaningful interests and activities. Qualifying participants include people with behavioral health related issues, physical disabilities, or developmental disabilities. The services are available in New Orleans, Baton Rouge, and Thibodaux.
- Unity Family Rapids – This is a Continuum of Care rapid rehousing program, which is funded through a subcontract with Unity of Greater New Orleans, Inc. This program provides rental assistance and supportive services to families that become homeless.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

- Permanent Supportive Housing (PSH) – These supportive services are community-based and are provided along with safe, affordable, permanent housing. Best practice PSH services are individualized, flexible, and responsive to the needs of the individual. These services are available when needed, prior to, during, and after the individual has moved into housing and accessible where the individual lives. The services are available in New Orleans, Baton Rouge, Thibodaux, and North Louisiana.
- The Network – This program provides Homeless Management and Information System (HMIS) and outreach to support the local Continuum of Care Program.
- TANF Homeless Initiative – This program provides rapid rehousing to homeless families in the New Orleans area.
- Supportive Services for Veteran Families (SSVF) – This program provides housing services to veterans or veterans with families to prevent homelessness or assist with securing permanent housing options. SSVF can provide rental assistance or security deposits to establish permanent housing for veterans and their families that are currently homeless.
- Basic Center – This program provides case management, homeless services, and rental assistance to homeless or at-risk youth.
- Community Health Center Services – Federally Qualified Health Clinics (FQHC) provide primary, mental health, and dental care services through this program. The program's focus is to increase access to care for homeless persons, veterans, people with low-income, and others in the community. The clinics consist of physicians, nurse practitioners, and licensed social workers. The clinics are located in Houma, New Orleans, and Covington.
- Assertive Community Treatment (ACT) – ACT is an evidence-based practice that improves outcomes for people with severe mental illness who are most at-risk of homelessness, psychiatric crisis, hospitalization, and involvement in the criminal justice system. Combining the interdisciplinary fields that deal with mental illness and substance abuse, ACT helps a person outside the hospital or rehabilitation center. The Organization's ACT services are available in Houma, Northshore, Baton Rouge, and New Orleans.
- Housing Development – This program is designed to assist in the recovery of individuals with serious mental illness by providing the necessary technical and practical support in locating and providing safe, secure, and affordable housing.
- Warmline – This is a hotline, staffed by peer support specialists, to aid people with mental illness.
- Beautiful Beginnings Shelter – This program provides temporary shelter to homeless families with children. Families accepted into the shelter are provided with resources and supports to assist with employment and working towards permanent housing options.
- Baton Rouge Disaster Rapid Rehousing/Monroe Disaster Repaid Rehousing – These housing programs provide services to individuals and families ages 18 and over who are homeless as a result of the Great Flood of 2016. These programs draw on the components of the Housing First and Rapid Rehousing Models.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

- Grant Per Diem for Veterans (GPD) – GPD provides transitional housing and support services to single homeless veterans. There are currently 21 units designed to stabilize housing while exploring permanent housing options. Veterans are provided intensive case management services, transportation and supports with public resources, and benefits. GPD covers the TLC, New Start Veterans Center, and Veterans Shelter programs.
- Safe Start II – This program is a transitional housing program designed to assist victims of domestic violence and/or sexual assault to relocate to a safe environment away from their abusers.
- YouthBuild Program – This program is a comprehensive youth and community development program. YouthBuild simultaneously addresses several core issues facing low-income communities: education, housing, jobs, and leadership development. It uniquely addresses the status of unemployed young men and women who have dropped out of school and have no apparent path to a productive future. Program components include: 1) educational and job training services; 2) leadership training, counseling, and other support activities; and 3) on-site training through actual housing rehabilitation or construction work.
- IDJC Rental Assistance – This rapid rehousing program is for residents who are relocating from the Isle de Jean Charles Native American Community. This program provides case management and rental assistance to qualified participants.
- Functional Family Therapy (FFT and FFT-CW) – This program provides for the youth and/or families in need of intensive in-home therapy and focuses on assessment and intervention to address risk and protective factors within and outside of the family that impact the adolescent and his or her adaptive development. FFT and FFT-CW follows the FFT model developed by FFT, L.L.C. Generalization provides the family with the opportunity to learn how to use the skills taught in behavior change in different areas of their life, including school, work, or in community settings.
- Homebuilders – This program is an intensive in-home crisis intervention and family treatment program designed to keep children and families safe, prevent the unnecessary out-of-home placement of children, and to safely reunify children and families.
- New Start Housing – This program provides rental assistance and supportive services through a sub-contract with Unity of GNO for homeless persons with mental illness.
- Low Barrier Shelter – This is a 100-bed shelter that uses low barrier entry to provide emergency shelter and engagement services to residents in New Orleans.
- Unity Rosa F. Keller, Unity Rapid Rehousing, Unity Williams, Home at Last Consolidated – The purpose of these projects is to provide case management and supportive services for homeless persons with mental illness in a low-demand setting. Supportive services will focus on gradually engaging the consumer in the rehabilitation process with the overall goal of the consumer attaining Medicaid.
- Continuum of Care (CoC) Rapid Rehousing – This program provides rental assistance and supportive services to homeless people within the CoC geography. START Corporation acts as the subsidy administrator in this program through contract with Louisiana Housing Corporation.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

- Department of Corrections Home – This program assists low income tenants of the State of Louisiana by providing rental subsidy, security and utility deposit assistance to tenants as a grant, and assistance to prospective tenants regarding landlord/tenant responsibilities, methods of locating suitable units, and equal housing opportunity laws.
- Balance of State Permanent Supportive Housing (BOS PSH 1) – This program provides permanent supportive housing to people who are experiencing chronic homelessness, unaccompanied youth, and veterans. The goal of the project is to assist participants to achieve and maintain self-sufficiency in permanent housing.
- Balance of State Permanent Supportive Housing (BOS PSH 2) – This program provides permanent supportive housing to participants to achieve and maintain self-sufficiency in permanent housing.
- Transitional Living Program (TLP) – TLP is a program that implements effective strategies for the successful transition to sustainable living and increased well-being for runaway and homeless youth ages 17 to 22 years old. START Corporation assists with finding housing and provides assistance with rent deposits and utility payments when starting in the program. The program has a length of no more than 540 days with a year of follow-up time. START Corporation also assists with referring clients to other resources and providing assistance with snap benefits, Medicaid coverage, and other needs the client may have. START Corporation helps clients seek employment opportunities and helps to further their education if desired.
- Restart – The goal of this project is to prevent homelessness for persons exiting prison who have been identified and assessed as having no place to go upon their release. Some of these offenders have been incarcerated for decades, and many have no healthy connections to the outside world, making it difficult to help them find a place to live. The goal is to use most of the funding on rapid resolution and diversion case management, rather than using the funding for rental assistance, to prevent the offenders from entering into homelessness.
- Start Up/Housing Opportunities for Persons with Aids (HOPWA) – The Housing Opportunities for Persons with AIDS (HOPWA) Program is a Federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA Program, HUD makes grants to local communities, states, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS and their families.
- Promoting Integration of Primary and Behavioral Health Care (PIPBHC) – This program provides prevention, treatment, and recovery support services to adults with mental illness who have co-occurring physical health conditions/chronic diseases and adults with a substance use disorder.
- Safe Haven Project – START Corporation is developing a Federally Qualified Health Center (FQHC) and Level 3 Crisis Receiving Center (CRC) on the Safe Haven Campus in Safe Haven. This program is in development and is expected to open in 2020.
- Psychiatric Rehabilitation Treatment Facility (PRTF) – Under this program, START Corporation received a grant from Louisiana Health Care Connections to develop a psychiatric rehabilitation treatment facility for young persons.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 1 – Summary of Significant Accounting Policies (Cont.)**

- I. Advertising – Advertising costs are expensed as incurred. Advertising expense totaled \$43,049 and \$15,378, respectively, for the years ended June 30, 2019 and 2018.
- J. Annual and Sick Leave – All full-time, full-year employees are eligible for annual leave based upon years of service: 96 hours per year for less than five years of service, 112 hours per year for five to nine years of service, and 136 hours per year for at least ten years of service. Annual leave vests to the employee and, accordingly, has been accrued as a liability in the statement of financial position. As of June 30, 2019 and 2018, accrued leave equaled \$281,126 and \$192,890, respectively.

All full-time, full-year employees are eligible for sick leave, which is earned up to a maximum of 96 hours per year. Employees cannot accumulate more than 96 hours of sick leave at any given time. Upon termination, any unused sick leave is forfeited; therefore, no accrual has been made for unused sick leave.

- K. Income Taxes – START Corporation is a not-for-profit, voluntary health and welfare agency exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code and qualifies for the 50% charitable contributions deduction for individual donors.
- L. Net Service Revenue – START Corporation entered into an agreement under one of its grant programs and is reimbursed based upon established charges. Net service revenue under this program is reported at the estimated net realizable amounts from services provided. Settlements under its reimbursement agreement are estimated and recorded in the period the related services are rendered and are adjusted in future periods as final settlements are determined.
- M. Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- N. Recent Pronouncement – In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, the lack of consistency in the type of information provided about expenses and investment return. The Organization has implemented ASU 2016-14 and has presented the financial statements accordingly.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**NOTE 2 – FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Organization’s financial instruments, none of which are held for trading purposes, include cash and cash equivalents, promises to give, receivables, accounts payable, lines of credit, capital lease obligations, and notes payable. Management estimates that the fair value of all financial instruments as of June 30, 2019, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

**NOTE 3 – UNCERTAIN INCOME TAXES**

The Organization’s 2017 tax return was filed appropriately. As of December 2019, the Organization had not filed its 2018 tax return as the filing due date had been extended to May 15, 2020. The Organization recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The Organization’s tax filings are subject to audit by various taxing authorities. The Organization’s open audit period is 2015 to 2018. Management has evaluated the Organization’s tax position and concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this guidance.

**NOTE 4 – CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of promises to give due from various departments of the federal government and the State of Louisiana. Because these receivables are passed through support from the federal or state government, the Organization requires no collateral for these amounts.

START Corporation maintains its cash in two financial institutions located in Louisiana. The Federal Deposit Insurance Corporation (FDIC) insures the balances up to \$250,000 at these institutions. At times, bank balances may exceed the \$250,000 insurance limits. Management does not believe the Organization has significant risks as related to bank deposits.

**NOTE 5 – PROMISES TO GIVE**

Promises to give as of June 30, 2019 and 2018 consisted of the following:

	2019	2018
Louisiana Housing Corporation	\$ 1,461,773	\$ 1,214,789
Unity of Greater New Orleans, Inc.	454,282	568,687
City of New Orleans	239,879	258,029
Community Development Block Grants	204,228	105,498
Health Resources and Services Administration	172,478	50,399

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**NOTE 5 – PROMISES TO GIVE (Cont.)**

	<u>2019</u>	<u>2018</u>
State of Louisiana -		
Department of Health and Hospitals -		
Office of Behavioral Health	108,907	-
Office of Public Health	26,440	1,400
Department of Children and Family Services	34,116	30,643
City of Baton Rouge	154,763	-
U.S. Department of Housing and Urban Development	111,940	80,475
U.S. Department of Veteran Affairs	60,901	46,546
St. Tammany Parish Housing	45,000	-
U.S. Department of Labor	40,581	1,203
Jefferson Parish Human Services Authority	32,496	35,893
Administration for Children and Families/Family and Youth Services Bureau	15,508	7,750
Terrebonne Parish Consolidated Government	11,868	7,806
U. S. Department of Justice	10,044	2,322
Gulf Coast Teaching Family Services	4,631	4,315
Other funding	1,262	2,713
	<u>\$ 3,191,097</u>	<u>\$ 2,418,468</u>

**NOTE 6 – PROPERTY AND EQUIPMENT**

A summary of changes in property and equipment follows:

	<u>July 1, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2019</u>
Buildings	\$ 2,571,111	\$ 126,400	\$ -	\$ 2,697,511
Leasehold improvements	187,741	69,468	-	257,209
Furniture and fixtures	219,583	193,438	-	413,021
Vehicles	449,660	229,550	-	679,210
Land	176,357	-	-	176,357
Construction in process	247,166	70,619	(268,675)	49,110
	<u>3,851,618</u>	<u>689,475</u>	<u>(268,675)</u>	<u>4,272,418</u>
Accumulated depreciation	(906,950)	(200,564)	-	(1,107,514)
Net property and equipment	<u>\$ 2,944,668</u>	<u>\$ 488,911</u>	<u>\$ (268,675)</u>	<u>\$ 3,164,904</u>

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**NOTE 7 – LINES OF CREDIT**

The Organization has a revolving line of credit agreement with a local bank to aid in cash flow management. The agreement, dated March 27, 2019, includes a borrowing limit of \$750,000, an interest rate of Wall Street Journal prime plus 1.50 percentage points (7.00% as of June 30, 2019) on outstanding balances, is secured by real estate, and matures on March 27, 2022, when all outstanding principal and interest is due. As of June 30, 2019, the Organization had an outstanding balance of \$700,000 on this line of credit.

The Organization has a revolving line of credit agreement with a local bank to aid in cash flow management. The agreement, dated May 7, 2019, includes a borrowing limit of \$250,000, an interest rate of Wall Street Journal prime plus 1.50 percentage points (7.00% as of June 30, 2019) on outstanding balances, is secured by real estate, and matures on May 7, 2020, when all outstanding principal and interest is due. As of June 30, 2019, the Organization has no balance due on this line of credit.

**NOTE 8 – CAPITAL LEASES**

START Corporation leases nineteen vehicles. The leases are considered to be capital leases. The cost of the vehicles under these leases equaled \$454,417 at the inception of the leases and is included in property and equipment and depreciated accordingly. For the year ended June 30, 2019, depreciation expense associated with the capital leases was \$70,715. The related accumulated depreciation was \$90,798 as of June 30, 2019.

The monthly lease obligation for each lease ranges from \$350 to \$459. The leases mature from July 31, 2022 through June 30, 2024. Future minimum lease payments related to these leases are as follows:

<u>June 30,</u>		
2020	\$	80,461
2021		83,456
2022		86,979
2023		67,915
2024		<u>20,506</u>
	\$	<u><u>339,317</u></u>

**START Corporation**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2019 and 2018

**NOTE 9 – LONG-TERM DEBT**

As of June 30, 2019 and 2018, long-term debt consisted of the following:

	2019	2018
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by buildings and land and includes no interest. The project was completed in November 2015 and serves as affordable rentals. Fifty percent of the note is payable in monthly installments of \$916 through January 1, 2047. The remaining 50%, or \$329,688, will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	\$ 621,829	\$ 631,902
Two notes payable to Terrebonne Parish Consolidated Government. The notes are collateralized by buildings and land and include no interest. The project was completed in September 2014 and serves as affordable rentals. Fifty percent of the notes is payable in monthly installments of \$391 through December 12, 2044. The remaining 50%, or \$140,407, will be deferred, interest-free loans that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	260,048	264,349
Note payable to Louisiana Housing Finance Agency. The note is collateralized by a 12-unit housing complex located at 137 New Orleans Boulevard in Houma, Louisiana. The note includes no interest, is payable through April 1, 2024, and is payable as described below.	175,000	175,000
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by buildings and land and includes no interest. The project was completed in December 2017 and serves as affordable rentals. Fifty percent of the note is payable in monthly installments of \$208 through April 1, 2049. The remaining 50%, or \$75,000, will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	150,000	-
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by buildings and land and includes no interest. The project was completed in November 2015 and serves as affordable rentals. Fifty percent of the note is payable in monthly installments of \$204 through September 1, 2047. The remaining 50%, or \$73,264, will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	142,255	144,494
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due January 1, 2029. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	84,970	86,711
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due March 1, 2023. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	40,059	40,059

**START Corporation**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2019 and 2018

**NOTE 9 – LONG-TERM DEBT (Cont.)**

	2019	2018
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due August 1, 2022. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	28,001	28,001
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due August 1, 2022. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	27,466	27,466
Demand note payable to a local financial institution dated December 28, 2017. The note was collateralized by real estate and included an interest rate of 6%. Interest was paid monthly. The maturity date was December 28, 2018.	-	150,000
	1,529,628	1,547,982
Less current maturities of long-term debt	(22,370)	(169,839)
	\$ 1,507,258	\$ 1,378,143

START Corporation constructed a twelve-unit complex in 2010 which serves as transitional housing for homeless veterans. This project was funded through a grant from the Department of Veterans Affairs, a \$125,000 direct subsidy from the Federal Home Loan Bank of Dallas' Affordable Housing Program, and a \$175,000 note payable to the Louisiana Housing Finance Agency (Agency). Note payments to the Agency are due annually commencing April, 1, 2010 in the amount equal to 50% of Surplus Cash, provided, however, that all payments due hereunder shall be payable only out of and to the extent of the Surplus Cash to be determined by the Agency and after a cash distribution to START of not more than \$10,000. If the Project has been maintained as safe, decent, and sanitary affordable housing under the regulatory agreement, the balance of this note shall be forgiven on April 1, 2024 (the note's maturity date).

June 30,	
2020	\$ 22,370
2021	22,388
2022	22,406
2023	117,949
2024	197,441
Thereafter	1,147,074
Total	\$ 1,529,628

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**Note 10 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of June 30, 2019 and 2018 relate to a direct subsidy received from the Federal Home Loan Bank of Dallas through its Affordable Housing Program (AHP) in the amount of \$125,000. The subsidy was used in the construction of the twelve-unit complex in 2010 described in Note 9. A deed restriction was recorded on the property for a period of fifteen years through January 21, 2025. The project's rental units must remain occupied by and affordable for households with income at or below the levels committed to be served in the AHP application for the duration of the retention period. The deed restriction contains certain restrictions should the property be sold or refinanced during the fifteen years.

**Note 11 – GRANTS AND OTHER FUNDING**

During the years ended June 30, 2019 and 2018, the Organization recognized grant revenue in the form of reimbursements for actual expenses and on a unit of service basis from the following sources:

	2019	2018
U.S. Department of Housing and Urban Development		
Continuum of Care Program	\$ 1,977,646	\$ 1,274,432
Passed through Louisiana Housing Corporation		
Community Development Block Grant - Disaster Recovery	3,070,371	4,271,902
Continuum of Care Program	1,350,649	995,387
Emergency Solutions Grant Program	380,756	107,332
Home Investments Partnership Program	69,877	-
Passed through Unity of Greater New Orleans, Inc.		
Continuum of Care Program	2,521,076	2,146,509
Passed through Louisiana Department of Health and Hospitals		
Community Development Block Grants/Entitlement Grants	661,940	590,286
Passed through City of Baton Rouge - East Baton Rouge Parish		
Continuum of Care Program	154,763	-
Passed through Jefferson Parish Housing Authority		
Continuum of Care Program	139,317	140,772
Passed through Terrebonne Parish Consolidated Government		
Emergency Solutions Grant Program	67,759	87,828
Passed through Gulf Coast Teaching Family Services		
Continuum of Care Program	16,841	15,573
U.S. Department of Veteran Affairs		
VA Supportive Services for Veterans Families Program	572,747	636,891
VA Homeless Providers Grant and Per Diem Program (New Start for Veterans)	218,464	189,250

**START Corporation**  
**Notes to Financial Statements**  
For the Years Ended June 30, 2019 and 2018

**NOTE 11 – GRANTS AND OTHER FUNDING (Cont.)**

	<u>2019</u>	<u>2018</u>
U.S. Department of Health and Human Services		
Consolidated Health Center Program	1,388,675	1,146,049
Passed through State of Louisiana Department of Health		
Office of Behavioral Health		
Substance Abuse and Mental Health Services - Projects of		
Regional and National Significance	108,907	-
Preadmission Screening and Resident Review	-	58,750
Office of Public Health		
STD/HIV Program	40,525	-
Tobacco Free Living Program	-	3,700
Passed through Administration for Children and Families/Family and		
Youth Services Bureau		
Transitional Living for Homeless Youth	106,785	-
Basic Center Grant	18,512	49,960
Passed through State of Louisiana Department of Children and Family		
Services		
Temporary Assistance for Needy Families	66,474	65,624
U. S. Department of Agriculture		
Passed through State of Louisiana Department of Health		
Office of Public Health		
Bureau of Nutrition Services	209,849	-
U.S. Department of Labor		
YouthBuild Program	139,049	270,339
U.S. Department of Justice		
Transitional Housing Assistance for Victims of Domestic Violence,		
Dating Violence, Stalking, or Sexual Assault Program	75,462	80,270
City of New Orleans	1,449,909	258,029
South Central Louisiana Human Services Authority	-	64,380
St. Tammany Parish Hospital	112,500	-
Centene Corporation	25,000	-
Terrebonne Parish Consolidated Government	13,565	25,918
Total	<u>\$ 14,957,418</u>	<u>\$ 12,479,181</u>

**NOTE 12 – OPERATING LEASES**

START Corporation leases office space in the region under operating leases expiring in various years through 2023. Rental payments of \$175,302 and \$136,186 were included in lease expense for the year ended June 30, 2019 and 2018, respectively.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**NOTE 12 – OPERATING LEASES (Cont.)**

START Corporation had several vehicle operating leases mature in the year ending June 30, 2018. One vehicle is being leased for \$357 per month through October 19, 2019. Rental payments of \$4,254 and \$16,107 were included in lease expense for the years ended June 30, 2019 and 2018, respectively.

The future minimum lease payments under operating leases are as follows:

<u>June 30,</u>		
2020	\$	106,655
2021		81,027
2022		78,827
2023		<u>52,551</u>
	<u>\$</u>	<u>319,060</u>

**NOTE 13 – MANAGEMENT, BOOKKEEPING REVENUES, AND RELATED PARTIES**

START Corporation entered into a management and bookkeeping agreement with Taddy Village, Inc., a not-for-profit corporation providing housing to mentally ill individuals in Houma, Louisiana. START provides management and bookkeeping services for \$500 plus 5% of Taddy Village, Inc.'s total lease revenue per month. START will also provide an on-site manager for \$1,800 per month. Either party may terminate the agreement at any time with a thirty-day notice. Revenues earned under this agreement amounted to \$50,928 and \$35,850 for the years ended June 30, 2019 and 2018, respectively. Certain board members of START are also board members of Taddy Village, Inc.

START Corporation entered into a management and bookkeeping agreement with Larke Village, Inc. START provides management and bookkeeping services for \$200 plus 7% of Larke Village, Inc.'s total lease revenue per month. START will also provide an on-site manager for \$750 per month. Either party may terminate the agreement at any time with a ninety-day notice. Revenues earned under this agreement amounted to \$16,902 and \$17,545 for the years ended June 30, 2019 and 2018, respectively. Certain board members of START are also board members of Larke Village, Inc.

START Corporation entered into a management and bookkeeping agreement with Sunshine Village Housing Corporation of Slidell, Inc. effective July 1, 2017. START provides management and bookkeeping services for \$900 plus 5% of Sunshine Village, Inc.'s total lease revenue per month. START will also provide an on-site manager for \$2,750 per month. Either party may terminate the agreement at any time with a thirty-day notice. Revenues earned under this agreement amounted to \$58,297 and \$52,086 for the years ended June 30, 2019 and 2018, respectively. Certain board members of START are also board members of Sunshine Village, Inc.

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**NOTE 13 – MANAGEMENT, BOOKKEEPING REVENUES, AND RELATED PARTIES (Cont.)**

START Corporation is leasing an office facility located at 4605 Highway 1, Napoleonville, Louisiana on a month-to-month basis from a related party. Monthly rent is \$850. This office is used to assist Assumption Parish clients qualifying for the supportive housing program. START anticipates leasing this office space in future months providing funding for the Starting Point program remains in place. Lease expense was paid in the amount of \$9,350 and \$11,900 for the years ended June 30, 2019 and 2018, respectively.

**NOTE 14 – EMPLOYEE BENEFIT PLAN**

START Corporation has a defined contribution 403(b) salary deferral plan covering substantially all employees. Under the plan, START contributes three percent of each eligible employee's salary. Employer contributions for the years ended June 30, 2019 and 2018 were \$132,874 and \$76,425, respectively.

**Note 15 – COMMITMENTS, CONTINGENCIES, AND ECONOMIC DEPENDENCY**

START Corporation receives a substantial portion of its revenues from federal and state grants and contracts which are subject to audit by the federal or state grantor. The ultimate determination of amounts received under these programs generally is based on units of service provided or allowable costs reported to and audited by the applicable granting agency. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable cost and service reimbursement. Management is of the opinion that no material liability will result from such audits.

**NOTE 16 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization's financial assets as of June 30, 2019, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations:

Current assets	\$ 6,776,026
Less those unavailable for general expenditures within one year:	
Donor restrictions for specific purposes	<u>(125,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 6,651,026</u>

**START Corporation**  
Notes to Financial Statements  
For the Years Ended June 30, 2019 and 2018

**NOTE 17 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, December 27, 2019. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

On January 2, 2019, the Organization was awarded a \$750,000 Affordable Housing Program grant through the Federal Home Loan Bank of Dallas. The proceeds of this grant will be used for the construction of Magnolia Street Lofts – Phase II. On October 30, 2019, START Corporation entered into an agreement with a contractor for the construction of this project in the amount of \$810,100.

**SUPPLEMENTAL INFORMATION**

**START Corporation**  
**Schedule of Program Revenues and Expenses**  
**For the Year Ended June 30, 2019**

	Fresh Start	Shelter + Care	NOLA Shelter + Care	Jefferson Shelter + Care	Visions II	New Orleans CBRS and PSH	The Network	TANF Homeless Initiative	SSVF	Basic Center Houma	Start FQHC	Houma ACT
<b>REVENUES AND OTHER SUPPORT</b>												
Grants and other funding	\$ 222,637	\$ 524,177	\$ 373,067	\$ 139,317	\$ 182,074	\$ 584,077	\$ 16,841	\$ 66,474	\$ 572,747	\$ 18,512	\$ 1,429,200	\$ -
Medicaid revenue	25,652	-	-	-	9,643	840,319	-	-	-	-	1,229,825	997,968
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	2,838,676	-
Medicare revenue	3,251	-	-	-	4,182	115	-	-	-	-	346,148	775
Insurance revenue	-	-	-	-	-	-	-	-	-	-	268,937	7,870
Program service and other fees	25	881	-	-	-	-	-	-	-	-	1,933	-
Clinic revenue	-	-	-	-	2,168	-	-	-	-	-	99,940	17,970
Dental revenue	-	-	-	-	-	-	-	-	-	-	152,702	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	4,402	-
Contributions	-	-	-	-	-	-	-	-	-	-	45	91
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>251,565</b>	<b>525,058</b>	<b>373,067</b>	<b>139,317</b>	<b>198,067</b>	<b>1,424,511</b>	<b>16,841</b>	<b>66,474</b>	<b>572,747</b>	<b>18,512</b>	<b>6,371,808</b>	<b>1,024,674</b>
<b>FUNCTIONAL EXPENSES</b>												
Salaries	78,922	33,244	22,183	22,814	65,127	955,084	15,007	57,654	294,873	15,598	1,407,462	505,117
Client assistance	134,780	485,581	343,254	140,154	99,707	-	-	-	126,033	-	-	344
Professional fees	20,777	7,061	293	190	15,412	35,434	21	88	58,963	578	1,966,345	246,497
Supplies and materials	1,853	1,771	257	73	963	24,949	6	5,825	4,815	2,436	1,091,594	12,782
Employee benefits	4,145	4,305	2,531	2,595	4,904	154,541	1,119	7,881	38,740	194	107,680	42,854
Payroll taxes	6,071	2,581	1,717	1,769	5,031	73,686	1,043	4,197	21,688	1,225	105,744	38,717
Insurance	6,667	10,494	1,012	719	5,930	36,246	164	621	18,223	573	68,165	17,679
Security	-	-	-	-	-	-	-	-	-	-	22,926	-
Travel	1,491	599	462	462	1,507	41,627	74	1,224	9,093	1,909	18,652	17,137
Telephone	2,418	2,686	218	209	2,045	34,217	28	460	5,949	360	27,735	11,033
Rent	-	-	-	-	-	5,889	-	-	18,624	1,239	75,633	1,015
Depreciation	692	1,081	-	-	636	5,936	-	-	3,983	-	29,051	11,578
Maintenance and repairs	642	617	-	-	573	2,566	-	-	2,172	189	6,076	4,162
Bad debts	-	-	-	-	-	-	-	-	127,277	-	-	-
Utilities	504	783	3	2	457	65	-	1	2,558	74	83	1,061
Dues and subscriptions	498	103	-	-	75	347	-	-	130	18	33,817	25
Advertising	-	-	-	-	-	-	-	-	-	-	13,617	209
Licenses, taxes, and fees	53	283	-	-	49	293	-	-	-	87	3,055	445
Training	67	-	-	-	67	120	35	31	841	16	6,467	466
Interest	88	137	-	-	81	1,234	-	-	504	145	1,520	1,492
Miscellaneous	42	29	21	21	33	1,934	2	36	211	21	3,067	856
Bank charges	-	-	-	-	-	-	-	-	-	-	3,946	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Postage and delivery	(17)	45	-	220	19	130	-	80	180	-	418	8
Donations	-	-	-	-	-	-	-	-	-	-	-	50
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>259,693</b>	<b>551,400</b>	<b>371,951</b>	<b>169,228</b>	<b>202,616</b>	<b>1,374,298</b>	<b>17,499</b>	<b>78,098</b>	<b>734,857</b>	<b>24,662</b>	<b>4,993,053</b>	<b>913,527</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (8,128)</b>	<b>\$ (26,342)</b>	<b>\$ 1,116</b>	<b>\$ (29,911)</b>	<b>\$ (4,549)</b>	<b>\$ 50,213</b>	<b>\$ (658)</b>	<b>\$ (11,624)</b>	<b>\$ (162,110)</b>	<b>\$ (6,150)</b>	<b>\$ 1,378,755</b>	<b>\$ 111,147</b>

**START Corporation**  
**Schedule of Program Revenues and Expenses**  
**For the Year Ended June 30, 2019**

	Starting Over	Housing Development	Warmline	Northshore ACT	Northshore Shelter + Care	Baton Rouge CBRS and PSH	Beautiful Beginnings	Baton Rouge Rapid Rehousing	Baton Rouge ACT	TLC	Safe Start I	Safe Start II
<b>REVENUES AND OTHER SUPPORT</b>												
Grants and other funding	\$ 160,785	\$ -	\$ -	\$ -	\$ 486,870	\$ 58,491	\$ 67,759	\$ 2,981,937	\$ -	\$ 27,703	\$ 105,395	\$ 75,462
Medicaid revenue	22,118	-	27,000	200,871	-	1,050,021	-	-	346,896	-	14,023	1,439
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	-	-	-	-	-	-	-	-	-	-	95	-
Insurance revenue	495	-	13,500	-	-	-	-	-	-	-	150	-
Program service and other fees	-	130,501	-	-	-	-	-	-	-	560	244	-
Clinic revenue	-	-	-	-	-	-	-	-	-	-	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Income from related parties	-	126,127	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	190	-	-	-	372	-	-	-	-	-	-
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>183,398</b>	<b>256,818</b>	<b>40,500</b>	<b>200,871</b>	<b>486,870</b>	<b>1,108,884</b>	<b>67,759</b>	<b>2,981,937</b>	<b>346,896</b>	<b>28,263</b>	<b>119,907</b>	<b>76,901</b>
<b>FUNCTIONAL EXPENSES</b>												
Salaries	79,061	53,956	38,708	205,727	28,565	790,914	60,221	561,466	246,489	61,967	42,660	36,911
Client assistance	51,958	(1,879)	-	-	450,114	-	-	1,828,851	-	-	67,288	22,552
Professional fees	12,743	8,579	61	43,267	627	33,427	119	15,186	88,989	480	10,618	12,478
Supplies and materials	1,276	29,863	56	5,147	222	12,301	25	25,927	16,102	6,735	653	1,945
Employee benefits	10,736	6,624	2,091	20,668	4,747	115,157	3,817	74,315	25,258	4,284	6,645	6,230
Payroll taxes	6,114	4,534	3,153	14,591	2,329	61,961	5,070	43,414	18,821	4,950	3,275	2,827
Insurance	5,686	32,426	450	1,682	2,044	32,249	787	27,055	1,763	2,180	3,412	4,309
Security	-	170	-	-	-	-	-	-	-	126	-	-
Travel	1,369	2,137	116	9,885	1,885	30,129	11	16,101	6,544	210	2,850	1,668
Telephone	2,497	3,071	734	3,556	488	17,738	369	9,264	3,235	517	1,533	1,662
Rent	-	335	-	-	-	23,581	-	21,081	-	-	-	-
Depreciation	624	39,534	-	-	-	4,110	-	-	-	3,463	386	556
Maintenance and repairs	1,053	43,101	-	80	-	2,815	-	815	-	3,183	528	662
Bad debts	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	394	9,629	1	93	6	2,212	1	1,929	1,045	1,102	274	394
Dues and subscriptions	55	31	-	-	-	260	-	740	-	-	30	46
Advertising	-	-	-	209	-	-	-	-	466	-	-	-
Licenses, taxes, and fees	48	-	-	900	-	600	-	87	-	-	30	43
Training	90	15	-	15	-	274	8	1,280	147	68	67	90
Interest	79	6,748	-	-	-	722	-	146	-	95	49	71
Miscellaneous	103	215	4	571	77	1,772	146	1,395	632	318	33	32
Bank charges	-	-	-	-	-	-	-	133	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Postage and delivery	-	574	-	-	-	34	-	21	8	-	35	-
Donations	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>173,886</b>	<b>239,663</b>	<b>45,374</b>	<b>306,391</b>	<b>491,104</b>	<b>1,130,256</b>	<b>70,574</b>	<b>2,629,206</b>	<b>409,499</b>	<b>89,678</b>	<b>140,366</b>	<b>92,476</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 9,512</b>	<b>\$ 17,155</b>	<b>\$ (4,874)</b>	<b>\$ (105,520)</b>	<b>\$ (4,234)</b>	<b>\$ (21,372)</b>	<b>\$ (2,815)</b>	<b>\$ 352,731</b>	<b>\$ (62,603)</b>	<b>\$ (61,415)</b>	<b>\$ (20,459)</b>	<b>\$ (15,575)</b>

**START Corporation**  
**Schedule of Program Revenues and Expenses**  
**For the Year Ended June 30, 2019**

	YouthBuild	IDJC Rental Assistance	Starting Point	Thibodaux CBRS and PSH	Functional Family Therapy	Homebuilders	New Start Veterans Shelter	Veterans Shelter	New Orleans ACT	New Start Housing	Unity Family Rapids	Low Barrier Shelter
<b>REVENUES AND OTHER SUPPORT</b>												
Grants and other funding	\$ 139,049	\$ 261,385	\$ 156,731	\$ 44,015	\$ -	\$ -	\$ 190,761	\$ 13,564	\$ 1,140,197	\$ 966,815	\$ 368,237	\$ 1,449,909
Medicaid revenue	-	-	21,050	547,013	841,347	280,184	-	-	1,454,405	71,762	-	-
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	-	-	115	9,597	-	-	-	-	610	-	-	-
Insurance revenue	-	-	-	2,811	15,900	-	-	-	115	-	-	-
Program service and other fees	-	-	118	-	-	-	18,861	-	909	1,000	-	-
Clinic revenue	-	-	-	937	6,487	-	-	-	630	-	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	885	-	-	-	-	-
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>139,049</b>	<b>261,385</b>	<b>178,014</b>	<b>604,373</b>	<b>863,734</b>	<b>280,184</b>	<b>210,507</b>	<b>13,564</b>	<b>2,596,866</b>	<b>1,039,577</b>	<b>368,237</b>	<b>1,449,909</b>
<b>FUNCTIONAL EXPENSES</b>												
Salaries	84,625	34,769	54,839	509,573	535,064	215,640	109,641	-	876,553	232,283	87,767	525,961
Client assistance	-	208,940	75,061	300	-	75	286	7	851,851	639,987	243,573	-
Professional fees	17,440	190	15,697	17,434	29,413	5,201	1,624	407	394,865	8,115	4,341	189,053
Supplies and materials	11,182	268	1,449	12,334	2,281	3,205	12,467	1,620	8,302	104	199	244,518
Employee benefits	8,600	6,337	3,249	83,560	74,994	27,950	5,707	-	107,789	27,371	13,269	52,471
Payroll taxes	6,960	2,704	4,081	40,145	41,676	16,648	8,213	-	66,042	17,497	6,823	43,325
Insurance	12,645	801	5,153	14,341	7,050	3,490	15,810	78	21,908	3,760	2,941	14,147
Security	-	-	-	-	-	-	920	-	-	-	-	357,648
Travel	5,559	1,278	447	25,277	29,752	11,923	1,894	-	44,745	10,848	2,015	13,066
Telephone	2,159	1,528	3,672	20,828	5,054	2,287	13,258	2,163	8,094	2,414	975	2,222
Rent	8,280	-	12,820	7,134	1,237	2,886	-	-	33,511	-	-	99
Depreciation	12,315	-	545	2,920	-	-	25,239	-	6,444	-	-	25,377
Maintenance and repairs	2,036	675	680	3,435	880	513	41,977	3,085	1,090	-	-	3,002
Bad debts	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	320	2	1,531	951	184	154	12,137	3,739	384	7	5	437
Dues and subscriptions	95	-	47	82	12	-	-	-	25	-	14	-
Advertising	-	-	-	-	-	-	-	-	866	-	-	85
Licenses, taxes, and fees	428	-	42	533	5,000	-	100	142	35	-	-	237
Training	8,965	-	67	688	6,240	1,463	132	-	222	-	-	145
Interest	1,518	-	69	844	-	32	929	-	790	-	-	730
Miscellaneous	396	21	32	611	1,100	295	58	-	1,189	399	118	1,329
Bank charges	-	-	-	-	-	-	-	-	-	3	-	-
Stipends	7,598	-	-	-	-	-	-	-	-	-	-	-
Postage and delivery	-	-	-	55	50	-	-	-	624	45	45	59
Donations	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>191,121</b>	<b>257,513</b>	<b>179,481</b>	<b>741,045</b>	<b>739,987</b>	<b>291,762</b>	<b>250,392</b>	<b>11,241</b>	<b>2,425,329</b>	<b>942,833</b>	<b>362,085</b>	<b>1,473,911</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (52,072)</b>	<b>\$ 3,872</b>	<b>\$ (1,467)</b>	<b>\$ (136,672)</b>	<b>\$ 123,747</b>	<b>\$ (11,578)</b>	<b>\$ (39,885)</b>	<b>\$ 2,323</b>	<b>\$ 171,537</b>	<b>\$ 96,744</b>	<b>\$ 6,152</b>	<b>\$ (24,002)</b>

**START Corporation**  
**Schedule of Program Revenues and Expenses**  
**For the Year Ended June 30, 2019**

	Home At Last - Consolidated	Unity Rosa F Keller	Unity Rapid Rehousing	Unity Williams	Lafayette CoC PSH Subsidy Shelter + Care	CoC Rapid Rehousing	DOC Home	Monroe Rapid Rehousing	Covington FQHC	New Orleans FQHC	North Louisiana PSH	BOS PSH 1
<b>REVENUES AND OTHER SUPPORT</b>												
Grants and other funding	\$ 15,724	\$ 45,860	\$ 350,579	\$ 78,125	\$ 149,287	\$ 339,602	\$ 69,877	\$ 76,425	\$ 322,349	\$ -	\$ 57,887	\$ 159,316
Medicaid revenue	8,138	40,606	76	18,771	-	-	-	-	201,511	73,496	-	-
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	-	-	-	-	-	-	-	-	8,518	2,133	-	-
Insurance revenue	-	-	-	-	-	-	-	-	9,911	265	-	-
Program service and other fees	-	-	-	-	-	-	-	-	-	-	-	-
Clinic revenue	-	-	-	-	-	-	-	-	21,616	5,828	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>23,862</b>	<b>86,466</b>	<b>350,655</b>	<b>96,896</b>	<b>149,287</b>	<b>339,602</b>	<b>69,877</b>	<b>76,425</b>	<b>563,905</b>	<b>81,722</b>	<b>57,887</b>	<b>159,316</b>
<b>FUNCTIONAL EXPENSES</b>												
Salaries	9,924	78,008	104,338	82,030	26,164	47,909	36,783	36,873	442,021	189,870	82,465	73,236
Client assistance	-	-	218,633	-	131,217	258,273	54,946	2,455	-	-	-	63,151
Professional fees	187	5,239	10,277	5,788	181	323	494	59	39,474	56,840	11	8,063
Supplies and materials	488	981	1,599	1,595	1,411	2,064	3,090	1,909	57,874	23,175	4,391	1,439
Employee benefits	813	7,153	16,102	9,764	2,620	5,545	4,074	4,703	34,235	12,639	4,564	7,245
Payroll taxes	745	6,132	8,328	6,565	1,973	3,549	2,836	3,070	35,366	15,047	6,860	5,755
Insurance	255	2,529	7,136	3,345	673	1,182	428	488	8,378	5,678	527	566
Security	-	-	-	-	-	-	-	-	-	-	-	-
Travel	71	793	1,833	1,428	116	213	173	1,335	2,787	4,751	5,526	348
Telephone	82	747	1,348	772	752	853	779	300	10,961	2,902	899	1,090
Rent	-	-	-	-	-	-	-	-	1,028	-	2,250	-
Depreciation	-	-	4,804	4,943	-	-	-	-	-	2	-	-
Maintenance and repairs	-	390	16	15	-	-	2	-	387	3,606	-	3
Bad debts	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	1	5	2	191	352	190	1	149	1	-	349
Dues and subscriptions	-	27	78	32	-	-	-	-	2,667	3,167	-	-
Advertising	-	-	-	-	-	-	-	84	1,107	720	84	2,754
Licenses, taxes, and fees	-	-	-	-	-	-	-	-	300	-	-	-
Training	-	-	-	-	93	11	10	68	888	-	1,128	7
Interest	-	-	11	22	-	-	-	-	-	-	-	-
Miscellaneous	-	39	179	97	17	26	21	93	2,581	331	795	76
Bank charges	-	-	-	-	33	1	-	-	356	179	-	1
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Postage and delivery	54	29	117	154	8	43	25	-	14	-	22	8
Donations	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>12,619</b>	<b>102,068</b>	<b>374,804</b>	<b>116,552</b>	<b>165,449</b>	<b>320,344</b>	<b>103,851</b>	<b>51,438</b>	<b>640,573</b>	<b>318,908</b>	<b>109,522</b>	<b>164,091</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ 11,243</b>	<b>\$ (15,602)</b>	<b>\$ (24,149)</b>	<b>\$ (19,656)</b>	<b>\$ (16,162)</b>	<b>\$ 19,258</b>	<b>\$ (33,974)</b>	<b>\$ 24,987</b>	<b>\$ (76,668)</b>	<b>\$ (237,186)</b>	<b>\$ (51,635)</b>	<b>\$ (4,775)</b>

**START Corporation**  
**Schedule of Program Revenues and Expenses**  
**For the Year Ended June 30, 2019**

	BOS PSH 2	Transitional Living Program	Restart	Start Up/ HOPWA	PIPBHC	Safe Haven Project	PRTF	Other Programs	Total Program Services	Management and General	Total
<b>REVENUES AND OTHER SUPPORT</b>											
Grants and other funding	\$ 24,877	\$ 106,785	\$ 6,261	\$ 155,020	\$ 108,907	\$ 41,349	\$ 25,000	\$ -	\$ 14,957,418	\$ -	\$ 14,957,418
Medicaid revenue	-	-	-	-	-	-	-	-	8,324,134	-	8,324,134
Pharmacy revenue	-	-	-	-	-	-	-	-	2,838,676	-	2,838,676
Medicare revenue	-	-	-	-	-	-	-	-	375,539	-	375,539
Insurance revenue	-	-	-	-	-	-	-	-	319,954	-	319,954
Program service and other fees	-	-	-	-	-	-	-	-	155,032	2,659	157,691
Clinic revenue	-	-	-	-	-	-	-	-	155,576	-	155,576
Dental revenue	-	-	-	-	-	-	-	-	152,702	-	152,702
Income from related parties	-	-	-	-	-	-	-	-	126,127	-	126,127
Interest income	-	-	-	-	-	-	-	-	-	59,076	59,076
Other income	-	-	-	-	-	-	-	-	4,402	7,150	11,552
Contributions	-	-	-	-	-	-	-	-	1,583	3,577	5,160
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>24,877</b>	<b>106,785</b>	<b>6,261</b>	<b>155,020</b>	<b>108,907</b>	<b>41,349</b>	<b>25,000</b>	<b>-</b>	<b>27,411,143</b>	<b>72,462</b>	<b>27,483,605</b>
<b>FUNCTIONAL EXPENSES</b>											
Salaries	10,931	48,785	17,776	61,840	80,122	73,160	-	-	10,448,680	112,957	10,561,637
Client assistance	12,013	42,737	-	69,669	-	-	-	-	6,621,911	-	6,621,911
Professional fees	13	6,790	-	-	900	-	-	-	3,396,652	21,999	3,418,651
Supplies and materials	1,366	2,642	1,308	10	170	170	-	58	1,651,245	42,061	1,693,306
Employee benefits	1,484	2,102	485	6,705	7,478	3,292	-	-	1,194,361	12,871	1,207,232
Payroll taxes	792	3,923	1,662	4,637	6,400	3,499	-	-	805,761	6,048	811,809
Insurance	79	1,656	207	-	32	-	-	-	415,819	11,872	427,691
Security	-	-	-	-	-	-	-	-	381,790	-	381,790
Travel	68	2,216	554	996	340	267	-	-	337,761	8,013	345,774
Telephone	743	589	804	178	122	-	-	-	220,597	23,045	243,642
Rent	-	-	-	-	-	-	-	-	216,642	1,805	218,447
Depreciation	-	3,625	-	-	-	-	-	-	187,844	12,720	200,564
Maintenance and repairs	-	780	-	2	-	-	-	-	131,808	33,344	165,152
Bad debts	-	-	-	-	-	-	-	-	127,277	5,113	132,390
Utilities	349	1,566	350	-	-	-	-	-	46,028	4,705	50,733
Dues and subscriptions	-	-	-	-	-	-	-	-	42,421	1,569	43,990
Advertising	238	-	-	-	-	-	-	-	20,439	22,610	43,049
Licenses, taxes, and fees	-	-	-	-	-	-	-	-	12,790	23,548	36,338
Training	-	186	763	3,219	90	-	-	-	34,549	465	35,014
Interest	-	734	-	-	-	-	-	-	18,790	12,093	30,883
Miscellaneous	11	105	303	63	108	739	-	-	22,703	2,001	24,704
Bank charges	1	12	1	-	-	-	-	-	4,666	9,262	13,928
Stipends	-	-	-	-	-	-	-	-	7,598	-	7,598
Postage and delivery	8	-	8	-	-	-	-	7	3,130	1,952	5,082
Donations	-	-	-	-	-	-	-	-	50	-	50
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>28,096</b>	<b>118,448</b>	<b>24,221</b>	<b>147,319</b>	<b>95,762</b>	<b>81,127</b>	<b>-</b>	<b>65</b>	<b>26,351,312</b>	<b>370,053</b>	<b>26,721,365</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (3,219)</b>	<b>\$ (11,663)</b>	<b>\$ (17,960)</b>	<b>\$ 7,701</b>	<b>\$ 13,145</b>	<b>\$ (39,778)</b>	<b>\$ 25,000</b>	<b>\$ (65)</b>	<b>\$ 1,059,831</b>	<b>\$ (297,591)</b>	<b>\$ 762,240</b>

**START Corporation**  
Schedule of Compensation, Benefits, and Other  
Payments to the Executive Director  
For the Year Ended June 30, 2019

**Agency Head Name: Casey Guidry, Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 226,754
Benefits - retirement	9,680
Benefits - insurance	6,181
Special meals	5,381
Travel	3,749
Unvouchered expenses	890
Vehicle provided by government	578

This form satisfies the reporting requirements of R.S. 24:513(A)(3).

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS**  
**AND UNIFORM GUIDANCE**

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

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

To the Board of Directors  
START Corporation  
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of START Corporation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 27, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization'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 Organization's 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 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 the Organization'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. This report is intended solely for the information and use of the Board of Directors, management, others within the Organization, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Houma, Louisiana  
December 27, 2019

**START Corporation**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2019

**Section I – Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of START Corporation.
2. No deficiencies in internal control were noted during the audit of the financial statements.
3. No instances of noncompliance required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No deficiencies in internal control were noted during the audit of internal control over the major federal award program.
5. The auditor’s report on compliance for the major federal award program for START Corporation expresses an unmodified opinion on the major federal program.
6. No audit findings relative to the major federal award program were noted.
7. The program tested as a major program was the U.S. Department of Housing and Urban Development Continuum of Care program, CFDA #14.267.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. START Corporation qualified as a low-risk auditee.
10. A management letter was not issued.

**Section II – Financial Statement Findings**

No findings related to the basic financial statements of START Corporation were noted during the audit.

**Section III – Internal Control Findings**

No findings related to the START Corporation’s internal control, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

**Section IV – Findings and Questioned Costs – Major Federal Award Program Audit**

No significant control deficiencies, findings, or questioned costs were noted during the audit of the major federal award program.

**START Corporation**  
Schedule of Prior Findings and Resolution Matters  
Year Ended June 30, 2019

Note: All prior findings relate to the June 30, 2018 audit engagement.

**Section I – Internal Control and Compliance Material to the Financial Statements**

**Financial Reconciliation Procedures**

Condition: It was noted that several of START's subledgers had not been reconciled in a manner which would identify instances of incorrect postings.

Recommendation: It was recommended that START Corporation review its reconciliation process and strengthen the procedures in place.

Planned Action: Management will review and reconcile the subledgers on a quarterly basis to detect and correct misstatements in a timely manner. Management will assess adding additional staff to keep up with the growth within START Corporation.

Status: Resolved.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors  
START Corporation  
Houma, Louisiana

**Report on Compliance for Each Major Federal Program**

We have audited START Corporation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2019. START Corporation's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and terms and conditions of federal awards applicable to its federal program.

***Auditor's Responsibility***

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

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of START Corporation's compliance.

## ***Opinion on the Major Federal Program***

In our opinion, START Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major program for the year ended June 30, 2019.

## **Report on Internal Control over Compliance**

Management of START Corporation 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 START Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its 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 START Corporation's internal control over compliance.

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

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

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



Houma, Louisiana  
December 27, 2019

**START Corporation**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number and/or Contract Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<u>Direct Payments:</u>			
Continuum of Care (Fresh Start)	14.267	LA0143L6H081710; LA0143L6H091811	\$ 222,635
Continuum of Care (New Start)	14.267	LA0274L6H031600	966,815
Continuum of Care (Starting Over)	14.267	LA0147L6H081710	160,785
Continuum of Care (Safe Start)	14.267	LA0146L6H081609; LA0146L6H081710	105,395
Continuum of Care (Starting Point)	14.267	LA0148L6H081609; LA0148L6H081710	156,731
Continuum of Care (Visions II GCTFS)	14.267	LA0150L6H081710; LA0150L6H091811	182,074
Continuum of Care (BOS PSH 1)	14.267	LA0307L6H091700	158,923
Continuum of Care (BOS PSH 2)	14.267	LA0309L6H091700	24,288
			<u>1,977,646</u>
<u>Pass through payments from UNITY of Greater New Orleans, Inc. (UNITY)</u>			
Continuum of Care (Rosa F. Keller)	14.267	LA0162L6H031705	45,860
Continuum of Care (Unity Rapid Rehousing)	14.267	LA0060L6H031710	350,579
Continuum of Care (Home at Last - Consolidated)	14.267	LA0162L6H031806	15,724
Continuum of Care (Unity Williams)	14.267	LA0185L6H031604; LA0185L6H031705	78,125
Continuum of Care (NOLA Shelter + Care)	14.267	LA0086L6H031710	373,067
Continuum of Care (Lafayette)	14.267	Contract Agreement	149,287
Continuum of Care (Unity Family)	14.267	LA0050L6H031706	368,237
Continuum of Care (Partners in Health)	14.267	LA0250L6H031601; LA0250L6H031702	1,140,197
			<u>2,521,076</u>
<u>Pass through payments from Louisiana Housing Corporation</u>			
Emergency Solutions Grant Program	14.231	Contract Agreement	333,146
Emergency Solutions Grant Program	14.231	Contract Agreement	6,261
Emergency Solutions Grant Program	14.231	Contract Agreement	41,349
Continuum of Care (Shelter + Care)	14.267	Contract Agreement	524,177
Continuum of Care (Northshore)	14.267	Contract Agreement	486,870
Continuum of Care (CoC Rapid Rehousing)	14.267	Contract Agreement	339,602
Home Investment Partnerships Program	14.239	Contract Agreement	69,877
Community Development Block Grant - Disaster Recovery	14.269	Contract Agreement	3,070,371
			<u>4,871,653</u>
<u>Pass through payments from Department of Health and Hospitals</u>			
<u>Office of Aging and Adult Services</u>			
Community Development Block Grants/Entitlement Grants	14.218	2019000153431	661,940
<u>Pass through payments from City of Baton Rouge - Parish of East Baton Rouge</u>			
Housing Opportunities for Persons with AIDS	14.241	Contract Agreement	154,763
<u>Pass through payments from Jefferson Parish Housing Authority</u>			
Continuum of Care (Jefferson Shelter + Care)	14.267	Contract Agreement	139,317
<u>Pass through payments from Terrebonne Parish Consolidated Government</u>			
Emergency Solutions Grant Program	14.231	Contract Agreement	67,759
<u>Pass through payments from Gulf Coast Teaching Family Services</u>			
Continuum of Care (The Network)	14.267	No Formal Agreement	16,841
Total U.S. Department of Housing and Urban Development			<u>10,410,995</u>

**START Corporation**  
**Schedule of Expenditures of Federal Awards (Cont.)**  
**For the Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number and/or Contract Number	Federal Expenditures
<u>U.S. Department of Justice</u>			
<u>Direct Payments:</u>			
Transition Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking or Sexual Assault	16.736	2016-WH-AX-0025	75,462
Total U.S. Department of Justice			<u>75,462</u>
<u>U.S. Department of Labor</u>			
<u>Direct Payments:</u>			
Youthbuild	17.274	YB-27739-15-60-A-22; YB-32987-18-60-A-22	139,049
Total U.S. Department of Labor			<u>139,049</u>
<u>U.S. Department of Veterans Affairs</u>			
<u>Direct Payments:</u>			
VA Homeless Providers Grant and Per Diem Program (New Start for Veterans)	64.024	STAR098-0922-629-SI-19; STAR098-0093-629-SI-18-0	218,464
VA Supportive Services for Veterans Families Program	64.033	14-LA-208	572,747
Total U.S. Department of Veterans Affairs			<u>791,211</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Direct Payments:</u>			
Consolidated Health Center Program	93.224	H80CS28964	1,388,675
<u>Pass through payments from State of Louisiana/Department of Health Office of Behavioral Health</u>			
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	2000377737	108,907
<u>Pass through payments from Administration for Children and Families/ Family and Youth Services Bureau</u>			
Transitional Living for Homeless Youth	93.550	90CX7262-01-00	106,785
Basic Center Grant	93.623	90CY6795-01-01	18,512
<u>Pass through payments from State of Louisiana/Department of Children and Family Services</u>			
Temporary Assistance for Needy Families	93.558	2000358675	66,474
<u>Pass through payments from State of Louisiana/Department of Health Office of Public Health/STD/HIV Program</u>			
HIV Prevention Activities - Health Department Based	93.940	2000354181	40,525
Total U.S. Department of Health and Human Services			<u>1,729,878</u>
U.S. Department of Agriculture			
<u>Pass through payments from State of Louisiana/Department of Health Office of Public Health/Bureau of Nutrition Services</u>			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	2000366981	209,849
Total Expenditures of Federal Awards			<u>\$ 13,356,444</u>

See Notes to the Schedule of Expenditures of Federal Awards.

**START Corporation**  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019

**Note 1 – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of START Corporation under programs of 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule presents only a selected portion of the operations of START Corporation and is not intended to and does not present the financial position, changes in net assets, or cash flows of START Corporation.

**Note 2 – Summary of Significant Accounting Policies**

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 reimbursement.

**Note 3 – Indirect Cost Rate**

START Corporation has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4 – CFDA Numbers**

The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the OMB's Catalog of Federal Domestic Assistance.

**Note 5 – Passed through to Subrecipients**

There were no awards passed through to subrecipients.

**STATEWIDE AGREED-UPON PROCEDURES**

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors  
START Corporation  
Houma, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of START Corporation (the Organization) 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 July 1, 2018 through June 30, 2019. The Organization'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 described on pages 40-52.

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 Louisiana Legislative Auditor as a public document.



Houma, Louisiana  
December 27, 2019

## **START Corporation**

### **Houma, Louisiana**

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

For the Year Ended June 30, 2019

The required procedures and our findings are as follows:

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

1. Obtain and inspect the Organization's written policies and procedures and observe that they address each of the following categories and subcategories:

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

Performance: Obtained and inspected the written policy for budgeting.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and inspected the written policy for purchasing.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

c) Disbursements, including processing, reviewing, and approving

Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

d) Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions

Performance: Obtained and read the written policy for receipts and collections and found it to contain the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

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

Performance: Obtained and read the written policy for payroll and personnel and found it contained all listed requirements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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

Performance: Obtained and read the written policies related to contracting.

Exceptions: The policy does not address the types of services requiring written contracts and legal review process.

Management's response: Management will consider addressing types of services and the legal review process in the contracting policy.

- 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

Performance: Obtained and read the written policies related to credit cards.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the Organization follows the state travel and expense reimbursement policy. Obtained and read that travel and expense reimbursement policy and found it contained all requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

## **START Corporation**

### **Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

- i) Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Performance: Obtained and read management's disaster recovery/business continuity policy and found it contained all requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

### **Board or Finance Committee**

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) Observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Performance: Determined that the procedures under #2 could be excluded as the Organization did not have any exceptions in the Board or Finance Committee category in Year 1 and were thereby exempt in Year 2.

### **Bank Reconciliations**

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

## **START Corporation**

### **Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation; and
- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than twelve months from the statement closing date, if applicable.

Performance: Determined that the procedures under #3 could be excluded as the Organization did not have any exceptions in the Bank Reconciliations category in Year 2.

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

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

Performance: Observed the listing of deposit sites from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site, obtain and inspect written policies and procedures relating to employee job duties at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Observed the listing of collection locations from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to determine that cash drawers/registers are not shared by employees.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees preparing/making bank deposits.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees posting collection entries to the general ledger or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees reconciling cash collections to the general ledger and/or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to determine if employees with access to cash are covered by a bond or insurance policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

For the Year Ended June 30, 2019

7. Randomly select two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. Obtain supporting documentation for each of the deposits selected and:

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

Performance: Inspected receipts to determine if they are sequentially pre-numbered.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if they had sequentially pre-numbered receipts, system reports, and other collection documentation that agreed to the respective deposit slips.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposit slips agreed to the actual deposits per the bank statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Observe that the deposit was made within one business day of receipt at the collection location.

Performance: Determined if deposits from two random dates were deposited within one business day of receipt.

Exceptions: Nine transactions belonging to two of the deposits were not deposited within one business day of receipt.

Management's response: Management will ensure that deposits are made in a timely manner.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

For the Year Ended June 30, 2019

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

Performance: Inspected deposits from two random deposit dates to determine if the deposits per the bank statements agree to the general ledger.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties, and observe that job duties are properly segregated such that:

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Performance: Inspected policy and inquired of management as to separation of duties when setting up vendor files.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the five random disbursements matched their respective original invoices.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

- b) Observe that the disbursement documentation included evidence of segregation of duties tested under #9, as applicable.

Performance: Determined that the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Performance: Observed the listing of all active credit cards, bank debit cards, fuel cards, and P-cards from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

Performance: Observed written approvals of credit card transactions.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Traced selected credit card statements to determine if any finance charges or late fees were applied to balances.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**START Corporation**  
**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

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

Performance: Observed whether randomly selected credit card transactions were supported by the items listed above.

Exceptions: Eight transactions were not supported by an itemized receipt nor was the business/public purpose of the transaction documented.

Management's response: Management will include all itemized receipts with each credit card transaction. Management will document the purpose on its transactions.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

Performance: Observed the listing of all travel and travel-related expense reimbursements from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

Performance: Determined that none of the five random travel reimbursements selected included a per diem.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

## **START Corporation**

### **Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Performance: Observed that the selected travel reimbursements were supported by original itemized receipts and other supporting documentation that identified precisely what was purchased.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Performance: Determined if the travel reimbursement was supported by documentation of the business/public purpose and other documentation required by written policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Performance: Determined that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

## **Contracts**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law.

## **START Corporation**

### **Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

- c) If the contract was amended, observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the five contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Performance: Determined that the procedures under #15 could be excluded as the Organization did not have any exceptions in the Contracts category in Year 1 and were thereby exempt in Year 2.

### **Payroll and Personnel**

- 16. Obtain a listing of employees employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the five employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees documented their daily attendance and leave.
  - b) Observe that supervisors approved the attendance and leave of the selected employees.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18. Obtain a listing of those employees that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
- 19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

**START Corporation**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
For the Year Ended June 30, 2019

Performance: Determined that the procedures under numbers 16-19 could be excluded as the Organization did not have any exceptions in the Payroll and Personnel category in Year 2.

**Other**

20. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Performance: Inquired of management of any misappropriations of public funds or assets and determined that none were noted.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

21. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Performance: Inquired and observed such notice posted on the premises and website.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.