

**SEXUAL TRAUMA AWARENESS
AND RESPONSE CENTER**

BATON ROUGE, LOUISIANA

JUNE 30, 2019



L.A. CHAMPAGNE & CO.

CERTIFIED PUBLIC ACCOUNTANTS

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Sexual Trauma Awareness and Response Center

Report on Financial Statements

We have audited the accompanying financial statements of Sexual Trauma Awareness and Response Center (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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The schedule of compensation, benefits, and other payments to Agency heads on page 13 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on page 14, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2019, on our consideration of Sexual Trauma Awareness and Response Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sexual Trauma Awareness and Response Center's internal control over financial reporting and compliance.

L.A. Champagne & Co., LLP

*Baton Rouge, Louisiana
December 31, 2019*

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF FINANCIAL POSITION

June 30, 2019

ASSETS

CURRENT ASSETS

Cash	\$ 205,909
Federal grants receivable	278,377
Other receivables	7,200
Prepaid expenses	9,337
Total current assets	<u>500,823</u>

PROPERTY AND EQUIPMENT

Property and Equipment, net of depreciation	64,633
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OTHER ASSETS

Deposits	<u>17,706</u>
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Total assets	<u><u>\$ 583,162</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Other accrued expenses	\$ 866
Accrued salaries and payroll taxes	53,568
Accrued compensated absences	28,527
Total current liabilities	<u>82,961</u>

NET ASSETS

Net assets without donor restrictions	330,055
Net assets with donor restrictions	170,146
Total net assets	<u>500,201</u>

Total liabilities and net assets	<u><u>\$ 583,162</u></u>
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See notes to financial statements.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF ACTIVITIES

Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 72,071	\$ 467,500	\$ 539,571
Federal contracts and grants	1,169,975	-	1,169,975
Local and state governmental grants	217,200	-	217,200
Fundraising	23,511	-	23,511
In-kind contributions	249,419	-	249,419
Program service revenue	16,168	-	16,168
Other income	4,384	-	4,384
Net assets released from restrictions	457,661	(457,661)	-
TOTAL SUPPORT AND REVENUE	<u>2,210,389</u>	<u>9,839</u>	<u>2,220,228</u>
EXPENSES			
Program services:			
Advocacy	988,787	-	988,787
Counseling	429,261	-	429,261
Legal	294,716	-	294,716
Social Change	262,892	-	262,892
	<u>1,975,656</u>	<u>-</u>	<u>1,975,656</u>
Supporting services:			
Fundraising	100,904	-	100,904
Management and general	143,229	-	143,229
	<u>244,133</u>	<u>-</u>	<u>244,133</u>
TOTAL EXPENSES	<u>2,219,789</u>	<u>-</u>	<u>2,219,789</u>
INCREASE (DECREASE) IN NET ASSETS	<u>(9,400)</u>	<u>9,839</u>	<u>439</u>
Net assets - beginning of year	<u>339,455</u>	<u>160,307</u>	<u>499,762</u>
Net assets - end of year	<u>\$ 330,055</u>	<u>\$ 170,146</u>	<u>\$ 500,201</u>

See notes to financial statements.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF CASH FLOWS

Year Ended June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 439
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	21,718
Decrease in receivables	25,460
Increase in prepaid expenses	(9,337)
Decrease in other accrued expenses	(2,503)
Decrease in accrued salaries and payroll taxes	(3,854)
Increase in accrued compensated absences	4,149
Net cash provided by operating activities	<u>36,072</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of equipment	(8,609)
Net cash used in investing activities	<u>(8,609)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

NET INCREASE IN CASH	<u>27,463</u>
Cash - beginning of year	178,446
Cash - end of year	<u>\$ 205,909</u>

See notes to financial statements.

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2019

	Advocacy	Counseling	Legal	Social Change	Fundraising	Management and General	Total
Salaries & payroll taxes	\$ 566,040	\$ 316,929	\$ 202,271	\$ 176,527	\$ 26,897	\$ 51,761	\$ 1,340,425
Employee benefits	31,580	20,110	15,373	7,593	122	20,338	95,116
Occupancy expenses	57,873	54,573	36,809	43,001	14,849	17,151	224,256
Insurance	-	-	7,801	-	-	17,604	25,405
Equipment	5,209	3,682	7,822	1,194	182	4,670	22,759
Supplies and materials	5,703	8,829	1,852	2,065	245	654	19,348
Printing, copying, and mailing	5,833	3,309	2,088	1,817	277	526	13,850
Phone and internet	8,247	3,739	2,359	2,052	313	594	17,304
Conferences and travel	17,110	2,821	5,631	2,008	-	9,858	37,428
Marketing and advertising	-	-	-	-	12,012	-	12,012
Memberships and affiliations	1,300	-	1,120	999	509	1,719	5,647
Training and meetings hosted	8,523	8,705	2,101	1,642	347	1,337	22,655
Contract services	2,212	1,255	5,908	19,908	18,150	15,349	62,782
Special events	-	-	-	-	22,153	-	22,153
Financial assistance	27,512	-	-	-	-	-	27,512
Depreciation	5,630	5,309	3,581	4,086	1,444	1,668	21,718
In-kind	246,015	-	-	-	3,404	-	249,419
	<u>\$ 988,787</u>	<u>\$ 429,261</u>	<u>\$ 294,716</u>	<u>\$ 262,892</u>	<u>\$ 100,904</u>	<u>\$ 143,229</u>	<u>\$ 2,219,789</u>

See notes to financial statements.

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
NOTES TO FINANCIAL STATEMENTS**

June 30, 2019

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

The Sexual Trauma Awareness and Response Center (STAR) is a community wide, non-profit agency exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. STAR was incorporated on October 18, 2011 with the purpose of continuing the efforts of its predecessor, the Rape Crisis Center, which was a division of the District Attorney of the 19th Judicial District. STAR's mission is to support survivors of sexual trauma, improve systems response, and create social change to end sexual violence. STAR currently provides services to the Central, Capital, and Greater New Orleans Regions of South Louisiana.

Basis of accounting

STAR prepares its financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned or billed, and expenses are recognized when goods or services are received and the obligation for payment is incurred.

Basis of presentation

Financial statement presentation follows the guidance of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under those standards, STAR is required to report information regarding its financial position and activities under two classes of net assets: net assets without donor restrictions or net assets with donor restrictions. Net assets without donor restrictions are resources that are free of donor-imposed or time restrictions and are available at the direction of the governing board. Net assets with donor restrictions are those resources whose use by STAR is limited to donor-imposed stipulations. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature: such as those that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of STAR.

Contributions and grants

Contributions and grants are recorded as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When donor restrictions expire, that is, when the stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Advertising and Marketing Costs

STAR expenses advertising and marketing costs when incurred.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

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

Cash and cash equivalents

For purposes of the statement of cash flows, STAR considers all unrestricted highly liquid investments with maturities of three months or less when acquired to be cash equivalents.

Prepaid expenses

Insurance and similar services which extend benefits over more than one accounting period have been recorded as prepaid expenses.

Property and equipment

Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment is stated at cost less accumulated depreciation with depreciation being calculated on the straight-line basis over the estimated useful life of the assets as follows:

Leasehold improvements	20 years
Furniture and equipment	3-5 years
Machinery and equipment	5 years

When property is retired or otherwise disposed of, the accounts are relieved of the applicable cost and accumulated depreciation, and any resulting gain or loss is reflected in operations.

Donated services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by STAR. These services are recorded, based on the fair value of the services provided, as in-kind contributions on the Statement of Activities and the Statement of Functional Expenses. Volunteer services are not recognized in the financial statements when the recognition criteria are not met.

Donated equipment

Donations of property and equipment are recorded as contributions at the fair market value on the date received. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, STAR reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. STAR reclassifies temporarily restricted net assets at that time.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements.

STAR accounts for income taxes in accordance with the income tax accounting guidance included in the FASB ASC. Under this guidance, STAR may recognize the tax effects from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by tax authorities. STAR has evaluated its position regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress.

Compensated absences

STAR allows employees to accrue unused annual leave subject to specified limits on the number of hours. Upon termination or resignation, the outstanding balance of unused leave is paid to the employee. An accrual of annual leave has been recorded in the accompanying financial statements.

Receivables and bad debts

Management believes that all receivables are collectible in full, and therefore, no allowance for bad debts has been provided in the financial statements.

Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs are charged specifically to a program or function and the remaining costs are allocated among programs, administrative and fund raising based upon estimates of staff time devoted to these functions.

Description of programs

The following is a description of STAR's programs:

Advocacy – STAR's advocacy services include 24/7 hotline support, hospital advocacy, criminal justice accompaniment, and crisis intervention services, which are provided to sexual trauma survivors in the aftermath of a sexual assault. These services drastically reduce survivors' experiences of trauma and give survivors the support that is needed to move forward with the daunting criminal justice process.

Counseling – STAR provides individual and group therapy to survivors aged 12 and older at no cost to help survivors move past the trauma of sexual assault.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Legal – STAR provides free legal services to survivors in need of assistance in the areas of education, employment, family law, housing, immigration, privacy, public benefits, victim rights, and safety.

Social Change – STAR also works to create social change to drastically reduce the epidemic of sexual trauma by raising awareness, providing education, building skills within the community to effectively prevent and intervene in sexual violence, and examining the root causes of sexual violence.

New Accounting Pronouncement

STAR adopted 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, and the lack of consistency in the type of information provided about expenses and investment return. STAR has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. The ASU has been applied retrospectively to all periods presented which had no impact to total net assets.

B: CONCENTRATION OF REVENUE

STAR receives a significant portion of its funds provided through government grants and contracts. Thus, its funding is vulnerable to changes in the legislative priorities of federal, state, and local governments. Significant among those are the following, reflecting their percent of total revenues provided during the year ended June 30, 2019:

U.S. Department of Justice	49%
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C: PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at cost, less accumulated depreciation as of June 30, 2019:

Leasehold improvements	\$ 33,035
Furniture and equipment	26,774
Machinery and equipment	98,049
	<hr/>
	157,858
Accumulated depreciation	(93,225)
	<hr/>
	\$ 64,633
	<hr/>

Depreciation expense was \$21,718 for the year ended June 30, 2019.

D: CONCENTRATION OF CREDIT RISK

STAR maintains deposits in a local financial institution with balances at times that may exceed the \$250,000 of insurance provided by the National Credit Union Insurance Fund. Management has placed these funds in a high-quality institution in order to minimize the risk.

E: RELATED PARTY TRANSACTIONS

STAR has entered into cooperative endeavor agreements with local governmental agencies which provided support totaling \$217,200. Each governmental agency has a representative on the Board of Directors. The funds provided through these agreements are unrestricted.

F: LEASE COMMITMENTS

STAR leases office space in Baton Rouge, Alexandria, New Roads, and New Orleans, Louisiana under agreements that are classified as operating leases. The Baton Rouge office lease provides for monthly rent of \$9,956 and expires November 30, 2022. The Alexandria office lease is month-to-month and provides for monthly rent of \$900. The New Roads office lease is month-to-month and provides for monthly rent and utilities of \$600. The New Orleans office is month-to-month and provides for monthly rent of \$6,000 per month.

The lease expense under these agreements was \$209,472 for the year ended June 30, 2019.

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

Years Ending June 30,	
2020	\$ 119,472
2021	119,472
2022	119,472
2023	49,780
	<u>\$ 408,196</u>

G: CONTINGENCIES

During the year ended June 30, 2019, STAR received \$1,169,975 in federal awards. Amounts received under these programs are subject to audit by the grantors and funding in excess of allowable costs, if any, may have to be returned to the grantor. Management is of the opinion that no material liability will result from such audits, if any, that may be conducted.

H: NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing and financing activities during the year ended June 30, 2019.

I: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of funds designated by donors or grantors for specific purposes or programs. As of June 30, 2019, amounts restricted to use for specific programmatic areas was as follows:

Greater New Orleans operations	\$ 160,805
Advocacy	3,000
Counseling	6,341
	<u>\$ 170,146</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose of restrictions specified by donors as follows for the year ended June 30, 2019:

Purpose restriction accomplished:	
Greater New Orleans operations	\$ 345,286
Baton Rouge operations	50,000
Advocacy	42,000
Counseling	19,069
Social change	1,306
Total restrictions released	<u>\$ 457,661</u>

J: LIQUIDITY

The following represents STAR's financial assets as of June 30, 2019, reduced by amounts not available for general use because of contractual restrictions within one year of the statement of financial position date:

Financial assets at June 30, 2019	\$ 491,486
Amounts unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions	<u>(170,146)</u>
	<u>\$ 321,340</u>

As part of the organization's liquidity management, STAR maintains sufficient cash balances throughout the year through the receipt of grants and donations.

K: SUBSEQUENT EVENTS

Subsequent events were evaluated through December 31, 2019 which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD**

Year Ended June 30, 2019

Racheal Hebert
President & CEO

	<u>Amount</u>
Salary	\$ 86,202
Benefits - payroll taxes	6,470
Reimbursements	5,600

See independent auditor's report.

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year ended June 30, 2019

FEDERAL GRANTOR GRANTORS/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTOR CONTRACTOR NUMBER	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of Justice</u>			
Legal Assistance for Victims Grant Program	16.524	2017-WL-AX-0045	\$ 258,740
Improving Criminal Justice Responses to Sexual Assault, Domestic Violence, Dating Violence, and Stalking	16.590	2017-WL-AX-0036	228,587
Passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Sexual Assault Services Program	16.017	2017-KF-01-4093 2018-KF-01-4729	36,721 36,426 <u>73,147</u>
Services, Training, Officers, Prosecutors Violence Against Women Formula Grant Program	16.588	2017-WF-03-4130 2018-WF-03-4726	23,666 21,660 <u>45,326</u>
Crime Victim Assistance Program	16.575	2016-VA-01-3811 2017-VA-01-4420 2016-VA-01-3899 2017-VA-01-4560 2017-VA-01-4208 2016-VA-01-4065 2017-VA-01-4435	66,164 56,916 25,934 10,000 166,831 82,132 77,399 <u>485,376</u>
Passed through the District Attorney of the 19th Judicial District:			
Crime Victim Assistance Program	16.575	2797	<u>9,600</u>
Passed through the City of New Orleans:			
Sexual Assault Kit Initiative	16.833	2015-AK-BX-K013	<u>10,461</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through the Louisiana Foundation Against Sexual Assault:			
Rape Prevention and Education Program	93.136	N/A	<u>58,738</u>
			<u>\$ 1,169,975</u>

See notes to schedule of expenditures of federal awards.

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

June 30, 2019

NOTE A—BASIS OF PRESENTATION

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

NOTE B—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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C—INDIRECT COST RATE

STAR has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

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CERTIFIED PUBLIC ACCOUNTANTS

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*

The Board of Directors
Sexual Trauma Awareness and Response Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Sexual Trauma Awareness and Response Center (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, and have issued our report thereon dated December 31, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sexual Trauma Awareness and Response Center'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 Sexual Trauma Awareness and Response Center'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 Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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 Sexual Trauma Awareness and Response Center'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 Sexual Trauma Awareness and Response Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sexual Trauma Awareness and Response Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

J.A. Champagne & Co, LLP

*Baton Rouge, Louisiana
December 31, 2019*

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CERTIFIED PUBLIC ACCOUNTANTS

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

The Board of Directors
Sexual Trauma Awareness and Response Center

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sexual Trauma Awareness and Response Center's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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 a major federal program occurred. An audit includes examining, on a test basis, evidence about Sexual Trauma Awareness and Response Center'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 each major federal program. However, our audit does not provide a legal determination of Sexual Trauma Awareness and Response Center's compliance.

Opinion on Each Major Federal Program

In our opinion, Sexual Trauma Awareness and Response Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the Sexual Trauma Awareness and Response Center 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 the Sexual Trauma Awareness and Response Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sexual Trauma Awareness and Response Center'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.

L. A. Champagne & Co, LLP

*Baton Rouge, Louisiana
December 31, 2019*

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
SUMMARY OF AUDIT RESULTS AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended June 30, 2019

A: SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Sexual Trauma Awareness and Response Center.
2. No significant deficiencies in internal controls relating to the audit of the financial statements are reported in the "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*."
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No significant deficiencies in internal controls over compliance with requirements applicable to major federal award programs are reported in the "Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance."
5. The auditor's report on compliance for the major federal award programs expresses an unmodified opinion.
6. There were no reportable audit findings relative to the major federal awards programs for STAR.
7. The program tested as major programs is as follows:

U.S. Department of Justice
CFDA 16.524 – Legal Assistance for Victims
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. STAR was determined to be a low-risk auditee.

B: FINDINGS – FINANCIAL STATEMENTS AUDIT

There were no findings that are required to be reported in this section of the report.

C: SUMMARY OF PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

There are no findings that are required to be reported in this section of the report.

SEXUAL TRAUMA AWARENESS
AND RESPONSE CENTER

STATEWIDE AGREED UPON PROCEDURES

JUNE 30, 2019



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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Sexual Trauma Awareness and Response Center

We have performed the procedures enumerated below, which were agreed to by Sexual Trauma Awareness and Response Center (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

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

1. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (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.

Management provided a list of all active credit cards for the fiscal period and representation that the list was complete.

2. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception

reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.)]

Obtained monthly statements and supporting documentation for selected cards and noted that the monthly statement and supporting documentation was reviewed and approved by someone other than the authorized card holder.

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

Obtained monthly statements and supporting documentation for selected cards and noted that there were no late fees or finance charges assessed.

3. Using the monthly statements or combined statements selected under #2 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Randomly selected 10 transactions from the monthly statements selected under step 2 and noted that all credit card transactions were supported by an original itemized receipt.

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

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

S.A. Champagne & Co, LLP

*Baton Rouge, LA
December 31, 2019*