

Keep Louisiana Beautiful, Inc.
Mandeville, Louisiana
June 30, 2019

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**HAWTHORN
WAYMOUTH
& CARROLL, L.L.P.**
Certified Public Accountants

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Independent Auditor's Report

The Officers and Board of Directors
Keep Louisiana Beautiful, Inc.
Mandeville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Keep Louisiana Beautiful, Inc. (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 years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Keep Louisiana Beautiful, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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 agency head or chief executive officer, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial 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 as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated December 18, 2019, on our consideration of Keep Louisiana Beautiful, Inc.'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 Keep Louisiana Beautiful, Inc.'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 Keep Louisiana Beautiful, Inc.'s internal control over financial reporting and compliance.

Hawthorn, Waymouth & Carroll, L.L.P.

December 18, 2019

Keep Louisiana Beautiful, Inc.
Statements of Financial Position
June 30, 2019 and 2018

	Assets	
	2019	2018
	<hr/>	<hr/>
Current Assets		
Cash and cash equivalents	\$ 299,591	\$ 197,940
Accounts receivable	98,378	215,136
	<hr/>	<hr/>
Total current assets	397,969	413,076
Fixed Assets, net	69	1,371
	<hr/>	<hr/>
Total assets	<u>\$ 398,038</u>	<u>\$ 414,447</u>
	<hr/> <hr/>	<hr/> <hr/>
	Liabilities and Net Assets	
Current Liabilities		
Accrued liabilities	\$ 5,197	\$ 5,039
Deferred revenue	945	405
	<hr/>	<hr/>
Total current liabilities	6,142	5,444
Net Assets, without donor restrictions	391,896	409,003
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 398,038</u>	<u>\$ 414,447</u>
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

Keep Louisiana Beautiful, Inc.
Statements of Activities
Years Ended June 30, 2019 and 2018

	Without Donor Restrictions	
	2019	2018
Revenue and Other Support		
Cooperative endeavor agreement	\$ 619,999	\$ 624,951
Annual state conference	22,807	38,865
Contributions	16,501	33,805
Interest	906	310
Miscellaneous	1,126	500
	661,339	698,431
Expenses		
Program	553,749	606,626
Management and general	59,027	54,682
Fundraising	65,670	18,235
	678,446	679,543
Change in Net Assets	(17,107)	18,888
Net Assets, beginning of year	409,003	390,115
Net Assets, end of year	\$ 391,896	\$ 409,003

The accompanying notes are an integral part of these financial statements.

Keep Louisiana Beautiful, Inc.
Statements of Functional Expenses
Years Ended June 30, 2019 and 2018

	June 30, 2019				June 30, 2018			
	Program	Management and General	Fundraising	Total Expenses	Program	Management and General	Fundraising	Total Expenses
Grant programs	\$ 131,707	\$ -	\$ -	\$ 131,707	\$ 158,125	\$ -	\$ -	\$ 158,125
Public awareness and marketing	164,445	-	-	164,445	173,347	-	-	173,347
Programs and public events	78,559	1,482	24,865	104,906	69,726	-	5,395	75,121
Training, travel, outreach, and affiliate support	13,688	2,989	-	16,677	13,019	2,441	814	16,274
Salaries and wages	123,966	25,153	30,543	179,662	146,000	27,375	9,125	182,500
Employee benefits	12,803	2,598	3,154	18,555	13,487	2,529	843	16,859
Payroll taxes	9,484	1,924	2,337	13,745	11,170	2,094	698	13,962
Operating expenses	18,198	7,583	4,550	30,331	20,474	3,839	1,280	25,593
Professional services	-	17,116	-	17,116	-	16,164	-	16,164
Depreciation	899	182	221	1,302	1,278	240	80	1,598
Total expenses	\$ 553,749	\$ 59,027	\$ 65,670	\$ 678,446	\$ 606,626	\$ 54,682	\$ 18,235	\$ 679,543

The accompanying notes are an integral part of these financial statements.

Keep Louisiana Beautiful, Inc.
Statements of Cash Flows
Years Ended June 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Change in net assets	\$ (17,107)	\$ 18,888
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,302	1,598
(Increase) Decrease in assets:		
Accounts receivable	116,758	6,093
Increase (Decrease) in liabilities:		
Accrued liabilities	158	(127)
Deferred revenue	540	(16,710)
	101,651	9,742
Net Change in Cash and Cash Equivalents	101,651	9,742
Cash and Cash Equivalents, beginning of year	197,940	188,198
	\$ 299,591	\$ 197,940
Cash and Cash Equivalents, end of year	\$ 299,591	\$ 197,940

The accompanying notes are an integral part of these financial statements.

Keep Louisiana Beautiful, Inc.
Notes to Financial Statements
June 30, 2019

Note 1-Summary of Significant Accounting Policies

A. Nature of Activities

Keep Louisiana Beautiful, Inc. (the “Organization”) is a non-profit organization formed in 2000, whose mission is to promote personal, corporate, and community responsibility for a clean and beautiful Louisiana. Affiliated with Keep America Beautiful, the Organization creates and supports public/private partnerships to address the problems of litter. Areas of work include the following:

- Educate teachers, students, and other residents of Louisiana on the immediate and long-term effects of litter;
- Fund local environmental programs through KLB’s grant program;
- Provide training and professional development to increase knowledge and effective policies and programming as it relates to KLB’s mission;
- Support enforcement of state and local laws that prohibit littering by providing instructions for training law enforcement officials;
- Support Keep America Beautiful affiliates in Louisiana to strengthen communities, reduce litter, increase recycling, beautify spaces and provide meaningful volunteer opportunities;
- Develop and implement programming that supports KLB’s mission;
- Partner with state and local governmental agencies and other like-minded groups for a clean and green Louisiana;
- Communicate the anti-litter message through a comprehensive public campaign and heighten awareness as it pertains to KLB’s mission.

B. Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Organization reports information regarding its financial position and activities according two classes of net assets that are based upon the existence or absence of restrictions on use that are placed on them by donors: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions include those net assets whose use by the Organization is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. 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 are restricted by a donor that the resources be maintained in perpetuity.

Keep Louisiana Beautiful, Inc.
Notes to Financial Statements
June 30, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

C. Use of Estimates

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

D. Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents includes amounts on deposit with financial institutions and highly liquid investments with an original maturity of three months or less.

E. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. The allowance for doubtful accounts is established through provisions charged against expense and is maintained at a level believed adequate by management to absorb bad debts. Accounts are written off from the allowance as they are deemed uncollectible based on periodic review by management. At June 30, 2019 and 2018, management believes all accounts are fully collectible; therefore, no allowance for doubtful accounts was recorded.

F. Fixed Assets

Fixed assets are recorded at cost when purchased and fair value when donated with depreciation recorded using the straight-line method over the estimated useful lives of the assets as follows:

Computers	3 - 5 years
Art	15 years

Expenditures for major additions of fixed assets are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

G. Income Taxes

Keep Louisiana Beautiful, Inc. is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation.

Management has determined that there are no uncertain tax positions that would require recognition in the financial statements. If the Organization were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense, and penalties on any income tax would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based on ongoing analysis of tax laws, regulations, and interpretations thereof as well as other factors.

Keep Louisiana Beautiful, Inc.
Notes to Financial Statements
June 30, 2019

Note 1-Summary of Significant Accounting Policies (Continued)

H. Contributions

The Organization accounts for contributions in accordance with the requirements of FASB ASC 958, *Not-for-Profit Entities*. In accordance with FASB ASC 958, contributions received are recorded as support without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets without donor restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as net assets without donor restrictions in the year received.

I. Functional Classification of Expenses

Expenses are allocated in the accompanying financial statements to program services, management and general, and fundraising functional expense groups. The methods of allocation are based on several factors such as utilization of office space as well as the Organization's estimates of the relative proportion of various staff members' time and effort between program and administrative functions.

J. New Accounting Pronouncement

The Organization has adopted the accounting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which changes presentation and disclosure requirements for nonprofit entities to provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These include qualitative and quantitative requirements in the following areas: net asset classes and liquidity. The Organization has adjusted the presentation in these financial statements accordingly.

K. Liquidity Management

As of June 30, 2019, the following financial assets could be made readily available within one year of the date of the statement of financial position to meet general expenditures:

Cash and cash equivalents	\$ 299,591
Accounts receivable	<u>98,378</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 397,969</u>

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

Keep Louisiana Beautiful, Inc.
Notes to Financial Statements
June 30, 2019

Note 2-Fixed Assets

Fixed assets are summarized as follows as of June 30:

	<u>2019</u>	<u>2018</u>
Computers	\$ 8,401	\$ 8,401
Art	<u>1,000</u>	<u>1,000</u>
	9,401	9,401
Less: accumulated depreciation	<u>9,332</u>	<u>8,030</u>
Fixed assets, net	<u>\$ 69</u>	<u>\$ 1,371</u>

Note 3-Concentrations

Approximately 94% of the Organization's support came in the form of a contract with the State of Louisiana, Department of Wildlife and Fisheries for the years ended June 30, 2019 and 2018. Loss of this funding could have a significant adverse impact on future operations. Management is not aware of any actions that will adversely affect the amount of funds the Organization will receive in the next fiscal year.

Note 4-Contingencies - Cooperative Endeavor Agreement

The Organization is under contract with the State of Louisiana by means of a Cooperative Endeavor Agreement, which is governed by various rules and regulations. If it is determined that the Organization has not complied with the rules and regulations governing the contract, the contract may be terminated immediately at the option of the State. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the contract; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Note 5-Operating Lease

The Organization leases office space under an operating lease, which expired on June 30, 2019. Included in operating expenses on the statements of functional expenses is rent expense for the years ended June 30, 2019 and 2018 totaling \$17,875 and \$15,796, respectively.

Note 6-Subsequent Events

Management has evaluated all subsequent events through December 18, 2019, the date the financial statements were available to be issued. As a result, management noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

Supplementary Information

Keep Louisiana Beautiful, Inc.
Schedule of Compensation, Benefits and Other
Payments to Agency Head or Chief Executive Officer
Year Ended June 30, 2019

Agency Head Name: Susan Russell, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 85,000
Benefits-insurance	7,331
Benefits-retirement	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	3,970
Registration fees	595
Conference travel	978
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-



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**Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

The Officers and Board of Directors
Keep Louisiana Beautiful, Inc.
Mandeville, 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 contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Keep Louisiana Beautiful, Inc. (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 years then ended, and the related notes to the financial statements, and have issued our report thereon dated December 18, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Keep Louisiana Beautiful, Inc.'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 Keep Louisiana Beautiful, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Keep Louisiana Beautiful, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency (2019-001).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Keep Louisiana Beautiful, Inc.'s financial statements are free from 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*.

Keep Louisiana Beautiful, Inc.'s Responses to Finding

Keep Louisiana Beautiful, Inc.'s response to the finding identified in our audit is described in the accompany schedule of findings and responses. Keep Louisiana Beautiful, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Hawthorn, Waymouth & Carroll, L.L.P.

December 18, 2019

Keep Louisiana Beautiful, Inc.
Schedule of Findings and Responses
For the Year Ended June 30, 2019

Part I – Summary of Audit Results

- 1) An unmodified opinion has been expressed on the financial statements of Keep Louisiana Beautiful, Inc., as of and for the year ended June 30, 2019, and the related notes to the financial statements.
- 2) No deficiencies in internal control over financial reporting that we consider to be material weaknesses were identified.
- 3) No instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* were identified.
- 4) A single audit in accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was not required.
- 5) A management letter was not issued.

Part II – Financial Statement Findings

2019-001 - Segregation of Duties

Condition:

Due to the small size of the Organization, ideal segregation of duties cannot be achieved.

Criteria:

The Organization should separate responsibilities for authorizing transactions, recording transactions, and the custody of assets.

Cause:

The size of the Organization does not permit proper segregation of duties.

Effect:

The lack of segregation of duties increases the risk of fraud related to misappropriation of assets, financial statement misstatement, or both.

Auditor Recommendation:

While we recognize it may not be cost effective to justify implementing a full segregation of duties for an extensive system of internal control in all areas, we believe it is important that management and those charged with governance are aware that some weaknesses may exist and that they should apply diligent oversight and monitoring activities.

Keep Louisiana Beautiful, Inc.
Schedule of Findings and Responses
For the Year Ended June 30, 2019

Part II – Financial Statement Findings (Continued)

2019-001 - Segregation of Duties (Continued)

Management's Response:

Those charged with governance are actively involved in oversight and monitoring activities to help strengthen internal controls. Financial statements and budget-to-actual comparisons are reviewed at the Board meetings. Management reviews monthly bank statements and reconciliations. For vendor payments, in addition to requiring two signatures on every check, the original receipt must be present with the check when the second signature is requested. The Board Chair or the Board Treasurer must initial the invoice or receipts showing that they were reviewed.

Keep Louisiana Beautiful, Inc.
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2019

Part I – Financial Statement Findings

2018-001 - Segregation of Duties

Summary of Prior Year Finding:

Due to the small size of the Organization, ideal segregation of duties cannot be achieved.

Status:

This repeats as current year finding 2019-001.

Part II – Management Letter

A management letter was not issued for the year ended June 30, 2018.

Keep Louisiana Beautiful, Inc.
Agreed-Upon Procedures Report
June 30, 2019



**HAWTHORN
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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Board of Directors of
Keep Louisiana Beautiful, Inc. and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Keep Louisiana Beautiful, Inc. (KLB) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified by the LLA in accordance with Act 774 of the 2014 Regular Legislative Session for the fiscal period July 1, 2018 through June 30, 2019. KLB's management is responsible for those control and compliance areas identified by the LLA.

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 performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedures presented in italics.

Credit/Debit/P-Cards

1. Obtained from management a listing of all active credit cards for the period July 1, 2018 through June 30, 2019, including the card numbers and the names of the persons who maintained possession of the cards.
2. Noted the entity only maintains one credit card. Selected this card for testing.
3. Randomly selected one monthly statement from the selected credit card.
4. From that statement, randomly selected ten transactions and obtained supporting documentation for the transactions. For each transaction, observed that it was supported by:
 - a) An original itemized receipt that identifies precisely what was purchased;
 - b) Written documentation of the business/public purpose; and
 - c) Documentation of the individuals participating in meals (for meal charges only).

No exceptions noted.

Sub-recipient Monitoring

1. Obtained from management a listing of payments made to sub-recipients during the fiscal period, subsequent to the issuance of the prior year LLA report (on March 14, 2019).
2. Randomly selected 2 payments and observed that:
 - a) The hourly rate for each payment matches the rate in the Application Guide provided to sub-recipients; and
 - b) The same hourly rate was used for all selected payments.

No exceptions noted.

Cooperative Endeavor Agreement (CEA) with Louisiana Department of Wildlife and Fisheries (LDWF)

1. Requested from management regarding the most current CEA, and signed amendments, between KLB and the LDWF. Reported the total amount of the fiscal year 2020 budget, the total of the salary and related taxes, and the percentage of the salary and related taxes compared to the budget.
2. Requested from management any correspondence between KLB and LDWF relative to the prior year LLA report recommendation to “work with LDWF to limit administrative costs, such as salaries...” Reported whether management was able to provide such correspondence, dated subsequent to the issuance of the prior year LLA report.

The CEA between KLB and LDWF was not renewed for the 2020 fiscal year. Therefore, we were unable to test these procedures.

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 control and compliance areas identified in the agreed-upon procedures. 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 the testing performed on those control and compliance areas identified by the LLA, 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.

Hawthorn, Waymouth & Carroll, L.L.P.

December 18, 2019