

R E P O R T

SOUTHEAST LOUISIANA
LEGAL SERVICES CORPORATION

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2018 AND 2017

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION

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INDEPENDENT AUDITOR'S REPORT

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April 30, 2019

Board of Directors of the
Southeast Louisiana Legal Services Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of Southeast Louisiana Legal Services Corporation (the Corporation), which comprise the statements of financial position as of December 31, 2018 and 2017, 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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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 Southeast Louisiana Legal Services Corporation as of December 31, 2018 and December 31, 2017, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements of Southeast Louisiana Legal Services Corporation as a whole. The accompanying supplementary information, as listed in the index, 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, 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 also presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information and the schedule of expenditures of federal awards are 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 also issued our report dated April 30, 2019, on our consideration of Southeast Louisiana Legal Services 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 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 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 Southeast Louisiana Legal Services Corporation's internal control over financial reporting and compliance.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 680,039	\$ 1,002,142
Cash in escrow - client deposits	36,710	33,717
Certificates of deposit	54,917	54,279
Grants and other receivables	668,779	647,178
Prepaid expenses and deposits	45,205	43,523
Total current assets	<u>1,485,650</u>	<u>1,780,839</u>
PROPERTY AND EQUIPMENT - NET	<u>526,222</u>	<u>540,138</u>
TOTAL ASSETS	<u>\$ 2,011,872</u>	<u>\$ 2,320,977</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 100,173	\$ 101,508
Due to Legal Services Corporation	-	11,713
Accrued taxes and expenses	234,183	212,612
Deferred revenue	6,000	10,229
Current maturities of long-term debt	49,538	49,277
Client escrow funds	36,710	33,717
Total current liabilities	<u>426,604</u>	<u>419,056</u>
LONG-TERM LIABILITIES:		
Long-term debt, non-current portion	114,629	171,679
Compensated absences	283,673	267,112
Total long-term liabilities	<u>398,302</u>	<u>438,791</u>
Total liabilities	<u>824,906</u>	<u>857,847</u>
NET ASSETS:		
Without Restrictions	427,256	447,910
With Restrictions		
Other	355,914	654,297
Investment in fixed assets	403,796	360,923
Total net assets	<u>1,186,966</u>	<u>1,463,130</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,011,872</u>	<u>\$ 2,320,977</u>

See accompanying notes.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Without</u> <u>Restrictions</u>	<u>With</u> <u>Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT:			
Grants and fees	\$ -	\$ 7,022,422	\$ 7,022,422
Interest	-	6,299	6,299
Donations	74,970	-	74,970
Other	16,410	-	16,410
Net assets released from restrictions	<u>7,284,231</u>	<u>(7,284,231)</u>	<u>-</u>
Total revenue and support	<u>7,375,611</u>	<u>(255,510)</u>	<u>7,120,101</u>
EXPENSES:			
Personnel:			
Salaries - lawyers	3,583,605	-	3,583,605
Salaries - non-lawyers	1,088,005	-	1,088,005
Fringe benefits	<u>1,396,191</u>	<u>-</u>	<u>1,396,191</u>
Total personnel expenses	6,067,801	-	6,067,801
Contract services	390,594	-	390,594
Travel and training	108,882	-	108,882
Space costs	347,072	-	347,072
Supplies	99,272	-	99,272
Equipment	16,804	-	16,804
Depreciation	21,030	-	21,030
Litigation	53,491	-	53,491
Other	<u>291,319</u>	<u>-</u>	<u>291,319</u>
Total expenses	<u>7,396,265</u>	<u>-</u>	<u>7,396,265</u>
CHANGE IN NET ASSETS	(20,654)	(255,510)	(276,164)
NET ASSETS AT BEGINNING OF YEAR	<u>447,910</u>	<u>1,015,220</u>	<u>1,463,130</u>
NET ASSETS AT END OF YEAR	<u>\$ 427,256</u>	<u>\$ 759,710</u>	<u>\$ 1,186,966</u>

See accompanying notes.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Without</u> <u>Restrictions</u>	<u>With</u> <u>Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT:			
Grants and fees	\$ -	\$ 7,501,416	\$ 7,501,416
Interest	-	3,311	3,311
Donations	108,584	-	108,584
Other	30,460	-	30,460
Net assets released from restrictions	7,311,493	(7,311,493)	-
Total revenue and support	<u>7,450,537</u>	<u>193,234</u>	<u>7,643,771</u>
EXPENSES:			
Personnel:			
Salaries - lawyers	3,584,232	-	3,584,232
Salaries - non-lawyers	1,098,638	-	1,098,638
Fringe benefits	1,410,517	-	1,410,517
Total personnel expenses	<u>6,093,387</u>	-	<u>6,093,387</u>
Contract services	519,953	-	519,953
Travel and training	104,851	-	104,851
Space costs	327,538	-	327,538
Supplies	101,146	-	101,146
Equipment	9,200	-	9,200
Depreciation	22,843	-	22,843
Litigation	35,746	-	35,746
Other	285,014	-	285,014
Total expenses	<u>7,499,678</u>	-	<u>7,499,678</u>
CHANGE IN NET ASSETS	(49,141)	193,234	144,093
NET ASSETS AT BEGINNING OF YEAR	<u>497,051</u>	<u>821,986</u>	<u>1,319,037</u>
NET ASSETS AT END OF YEAR	<u>\$ 447,910</u>	<u>\$ 1,015,220</u>	<u>\$ 1,463,130</u>

See accompanying notes.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
STATEMENT OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Legal Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES:				
Personnel:				
Salaries - lawyers	\$ 3,382,801	\$ 185,443	\$ 15,361	\$ 3,583,605
Salaries - non-lawyers	1,007,355	80,650	-	1,088,005
Fringe benefits	<u>1,311,589</u>	<u>79,985</u>	<u>4,617</u>	<u>1,396,191</u>
Total personnel expenses	5,701,745	346,078	19,978	6,067,801
Contract services	389,532	1,004	58	390,594
Travel and training	102,322	6,202	358	108,882
Space costs	327,061	18,919	1,092	347,072
Supplies	93,291	5,655	326	99,272
Equipment	15,792	957	55	16,804
Depreciation	19,763	1,198	69	21,030
Litigation	53,491	-	-	53,491
Other	<u>280,313</u>	<u>10,405</u>	<u>601</u>	<u>291,319</u>
Total expenses	<u>\$ 6,983,310</u>	<u>\$ 390,418</u>	<u>\$ 22,537</u>	<u>\$ 7,396,265</u>

See accompanying notes.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
STATEMENT OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Legal Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES:				
Personnel:				
Salaries - lawyers	\$ 3,399,486	\$ 179,494	\$ 5,252	\$ 3,584,232
Salaries - non-lawyers	1,021,000	77,400	238	1,098,638
Fringe benefits	<u>1,330,352</u>	<u>78,488</u>	<u>1,677</u>	<u>1,410,517</u>
Total personnel expenses	5,750,838	335,382	7,167	6,093,387
Contract services	519,156	780	17	519,953
Travel and training	98,976	5,752	123	104,851
Space costs	309,186	17,968	384	327,538
Supplies	95,478	5,549	119	101,146
Equipment	8,684	505	11	9,200
Depreciation	21,563	1,253	27	22,843
Litigation	35,746	-	-	35,746
Other	<u>274,678</u>	<u>10,120</u>	<u>216</u>	<u>285,014</u>
Total expenses	<u>\$ 7,114,305</u>	<u>\$ 377,309</u>	<u>\$ 8,064</u>	<u>\$ 7,499,678</u>

See accompanying notes.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (276,164)	\$ 144,093
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	21,030	22,843
(Increase) decrease in operating assets:		
Client deposits	(2,993)	2,600
Grants and other receivables	(21,601)	79,307
Prepaid expenses and deposits	(1,682)	65,836
Increase (decrease) in operating liabilities:		
Accounts payable	(1,335)	(93,606)
Due to Legal Services Corporation	(11,713)	11,713
Accrued taxes and expenses	21,571	993
Deferred revenue	(4,229)	(134,858)
Compensated absences	16,561	(9,233)
Client escrow funds	2,993	(2,600)
Net cash provided (used) by operating activities	<u>(257,562)</u>	<u>87,088</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(7,114)	(46,117)
Reinvestment of interest	(638)	(2,032)
Net cash used by investing activities	<u>(7,752)</u>	<u>(48,149)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payment of long-term debt	(56,789)	(47,160)
Net cash used by financing activities	<u>(56,789)</u>	<u>(47,160)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(322,103)	(8,221)
Cash and cash equivalents - beginning of year	<u>1,002,142</u>	<u>1,010,363</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ <u>680,039</u>	\$ <u>1,002,142</u>
Cash paid during the year for interest	<u>\$ 12,875</u>	<u>\$ 20,122</u>

See accompanying notes.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities:

Southeast Louisiana Legal Services Corporation (the Corporation) is a non-profit corporation organized for the purpose of providing legal assistance in noncriminal proceedings or matters to persons financially unable to afford legal assistance in a twenty-two parish area: Tangipahoa, Livingston, St. Helena, St. Tammany, Washington, Orleans, Jefferson, St. Bernard, St. Charles, Plaquemines, Ascension, Assumption, East Baton Rouge, West Baton Rouge, East Feliciana, Iberville, Lafourche, Pointe Coupee, St. James, St. John the Baptist, Terrebonne, and West Feliciana Parishes.

The principal accounting policies applied in the preparation of the accompanying financial statements are as follows:

Basis of Accounting:

The financial statements of Southeast Louisiana Legal Services Corporation, a non-profit corporation, are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and the requirements of the Legal Services Corporation Accounting Guide.

Basis of Presentation:

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Corporation and changes therein are classified and reported as follows:

- a) *Net assets without restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues are reported as increases in net assets without restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions.
- b) *Net assets with restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulated that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Cash and Cash Equivalents:

For financial statement purposes, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and having original maturities of three months or less.

Client Trust Escrow Funds:

Funds received from clients are deposited into a separate cash account and restricted for the payment of expenses in connection with related litigation.

Property and Equipment:

Property and equipment are recorded at cost. Donated property and equipment are recorded at fair value at the date of receipt. Individual items of \$5,000 or more are capitalized. Depreciation of furniture and equipment is provided over the estimated useful lives of the respective assets (three to ten years) using the straight-line method.

Property and equipment acquired with Legal Services Corporation funds are considered to be owned by Southeast Louisiana Legal Services Corporation while used in the program or future authorized programs. However, Legal Services Corporation has a reversionary interest in those assets and has a right to determine the use of any proceeds from the sale of assets purchased with its funds.

When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the statement of activities.

Revenue and Support with Restrictions and without Restrictions

Contributions received are recorded as increases in net assets without donor restrictions or increases in net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with 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 restrictions are reclassified to net assets without restrictions, and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same accounting period are reported as support and revenues without restrictions.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Revenue and Support with Restrictions and without Restrictions (Continued)

The Corporation recognizes grants from the Legal Services Corporation as support on a straight-line basis over the grant period. Any grant remaining unexpended at the end of the accounting period is recorded as net assets with restrictions. In accordance with normal Legal Services Corporation policies, the Corporation may use unspent funds in future periods as long as expenses incurred are in compliance with specified terms of the Legal Services Corporation grant, as defined. The Legal Services Corporation may, at its discretion, request reimbursement for expenses or return of grants, or both, as a result of non-compliance by the Corporation with the terms of the grant. In addition, if the Corporation terminates its Legal Services Corporation grant activities, all unexpended amounts are to be returned to the Legal Services Corporation.

The Corporation is funded principally through grants from Legal Services Corporation, a non-profit corporation established by Congress to administer a nationwide legal assistance program. The Corporation received greater than 10% of its funding from each of the following sources:

	<u>2018</u>	<u>2017</u>
Legal Services Corporation	46%	43%
Louisiana Bar Foundation	24%	22%

One-time grants can be awarded to support a specific event or project. These one-time grants that are essentially one-time infusions to the annualized grant should be recorded as support as eligible costs are incurred during the period specified in the grant. Until expenses are incurred for the restricted activity, one-time grants in this category are recorded in the Corporation's financial statements as deferred revenue on the statement of financial position. When a one-time grant or contract expires, the unexpended amount is to be returned to the Legal Services Corporation. As of December 31, 2018 and 2017, the Corporation had deferred revenue of \$6,000 and \$10,229, respectively, related to its one-time grants awarded by Legal Services Corporation.

Attorney's Fees:

Attorney's fees received are recorded during the accounting period in which the money from the fee award is actually received by the Corporation and is expended for any purpose permitted by the Legal Services Corporation Act.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Allocation of Expenses

The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses which are easily and directly associated with legal services, management and general, or fundraising are charged directly to that functional area. Certain other expenses have been allocated to legal services, management and general, or fundraising based on time devoted by the Corporation staff.

Program services consists of providing legal assistance in noncriminal proceedings or matters to persons financially unable to afford legal assistance.

Supporting services consists of fundraising, marketing and communications, and management and general expenses.

Income Taxes:

Southeast Louisiana Legal Services Corporation 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. However, if the Corporation were to engage in activities unrelated to the purpose for which it was created, taxable income could result. In management's judgment, the Corporation does not have any tax positions that would result in a loss contingency considering the facts, circumstances, and information available at the reporting date.

The Corporation's federal Return of Organization Exempt from Income Tax Return Form 990 for 2018, 2017, and 2016, are subject to examination by the IRS, generally for three years after they were filed.

Use of Estimates:

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

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

New Accounting Pronouncement:

During the year ended December 31, 2018, the Corporation adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14)*. This Update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is a change in the net asset classes used in the financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with restrictions. A footnote on liquidity and availability of financial statements has also been added to the financial statements (Note 17).

2. CASH AND CASH EQUIVALENTS:

At December 31, 2018, the carrying amount of the Corporation's cash deposits was \$680,039 and the bank balance was \$707,114. At December 31, 2017, the carrying amount of the Corporation's cash deposits was \$1,002,142 and the bank balance was \$1,164,882. Balances for 2018 and 2017 were covered by federal depository insurance or by collateral consisting of securities held in joint custody.

3. CLIENT DEPOSITS:

Southeast Louisiana Legal Services Corporation has two accounts referred to as client trusts. This money belongs to third persons. It contains money collected from the Corporation's clients to pay litigation expenses such as court costs, money received from clients to settle their case, and money received from third parties on behalf of clients. These deposits are segregated from the Corporation's funds. At December 31, 2018 and 2017, the carrying amount of the Southeast Louisiana Legal Services Corporation's client deposits was \$36,710 and \$33,717, respectively.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

4. FAIR VALUE MEASUREMENT:

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

	Quoted Prices In Active Markets for Identical Assets (Level 1)	Fair Value Measurement of Reporting Date	
		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of deposit			
December 31, 2018	\$ -	\$ 54,917	\$ -
December 31, 2017	\$ -	\$ 54,279	\$ -

Certificates of deposit carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of these instruments.

5. PROPERTY AND EQUIPMENT:

An analysis of the activity for property and equipment, net of accumulated depreciation, is as follows for the year ended December 31, 2018:

	Balance 1/1/18	Additions	Deletions	Balance 12/31/18
Capital assets not being depreciated:				
Land	\$ 59,200	\$ -	\$ -	\$ 59,200
Total capital assets not being depreciated	59,200	-	-	59,200
Capital assets being depreciated:				
Building	547,982	-	-	547,982
Leasehold improvement	39,650	7,114	-	46,764
Equipment	135,154	-	-	135,154
Total capital assets being depreciated	722,786	7,114	-	729,900
Less: accumulated depreciation	(241,848)	(21,030)	-	(262,878)
Total capital assets, net	\$ 540,138	\$ (13,916)	\$ -	\$ 526,222

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

5. PROPERTY AND EQUIPMENT: (Continued)

An analysis of the activity for property and equipment, net of accumulated depreciation, is as follows for the year ended December 31, 2017:

	Balance 1/1/17	Additions	Deletions	Balance 12/31/17
Capital assets not being depreciated:				
Land	\$ 59,200	\$ -	\$ -	\$ 59,200
Total capital assets not being depreciated	<u>59,200</u>	<u>-</u>	<u>-</u>	<u>59,200</u>
Capital assets being depreciated:				
Building	547,982	-	-	547,982
Leasehold improvement	2,943	36,707	-	39,650
Equipment	125,744	9,410	-	135,154
Total capital assets being depreciated	<u>676,669</u>	<u>46,117</u>	<u>-</u>	<u>722,786</u>
Less: accumulated depreciation	<u>(219,005)</u>	<u>(22,843)</u>	<u>-</u>	<u>(241,848)</u>
Total capital assets, net	<u>\$ 516,864</u>	<u>\$ 23,274</u>	<u>\$ -</u>	<u>\$ 540,138</u>

Depreciation expense for the years ended December 31, 2018 and 2017, was \$21,030 and \$22,843, respectively.

6. OPERATING LEASES:

Southeast Louisiana Legal Services Corporation has operating lease agreements for the rental of office space for its operations. Rental expense charged to operations totaled \$268,489 and \$259,803 for the years ended December 31, 2018 and 2017, respectively. The operating lease for the Corporation's Hammond, Louisiana, office expired on April 30, 2018, and was extended until April 30, 2020. The operating lease for the Corporation's Covington, Louisiana, office expires on January 31, 2021. The operating lease for the Corporation's Harvey, Louisiana, office expires on November 30, 2019. The operating lease for the Corporation's Houma, Louisiana, office expired on December 31, 2018, and was automatically renewed for an additional five years with a 10% increase in net rent. The operating lease for the Corporation's New Orleans, Louisiana, office expired March 31, 2018. On September 21, 2017, the Corporation's New Orleans, Louisiana, office entered into an operating lease to relocate the New Orleans office, effective April 1, 2018. The new office lease expires on September 30, 2023. Future minimum lease payments are as follows:

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
 NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

6. OPERATING LEASES: (Continued)

Year Ending December 31,	
2019	\$ 260,866
2020	214,625
2021	194,764
2022	194,010
Thereafter	150,623
	<u>\$ 1,014,888</u>

7. LONG-TERM DEBT:

On October 26, 2011, Southeast Louisiana Legal Services Corporation obtained long-term financing for an office building located in Baton Rouge, Louisiana, in the original amount of \$480,000. The loan accrues interest at the current prime index rate plus 2%. Under no circumstances will the interest rate be less than 4.50%. The rate at December 31, 2018 and 2017, was 5.50% and 6.25%, respectively. The note payable is secured by the building and land costing \$607,182. At December 31, 2018 and 2017, the balance on the loan was \$164,167 and \$220,956 respectively. Future mortgage payments are as follows:

Year Ending December 31,	
2019	\$ 49,538
2020	57,062
2021	57,567
	<u>\$ 164,167</u>

Interest expense relating to this loan was \$12,875 and \$20,122 for the years ended December 31, 2018 and 2017, respectively.

8. COMPENSATED ABSENCES:

An employee commences to earn and accrue annual leave with pay from the first day of employment. Accrual occurs at rates based on the length of employment. An employee may carry up to one year of leave over from one year to the next. Employees with less than five years of service are limited to 150 hours of accrued leave. Employees with five to ten years of service are limited to 187.5 hours of accrued leave. Employees with more than ten years of service are limited to 225 hours of accrued leave. If accrued annual leave above 150 hours, 187.5 hours, or 225 hours, respectively, is not taken by the end of the calendar year, the amounts exceeding the limit will be forfeited. The Corporation has accrued \$283,673 and \$267,112 in compensated absences at December 31, 2018 and 2017, respectively.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

9. PRIVATE ATTORNEY INVOLVEMENT:

One of the general grant conditions of the Legal Services Corporation grant is that the recipient shall allocate a substantial amount of its annualized basic field award to provide the opportunity for the involvement of private attorneys in the delivery of legal assistance to eligible clients. A substantial amount has been defined as twelve and one-half percent (12.5%) of the recipient's annualized basic field grant award. The Corporation is in compliance with this grant condition.

A schedule of private attorney involvement expenses across all funds for the years ended December 31, 2018 and 2017, is listed below:

	<u>2018</u>	<u>2017</u>
Personnel:		
Salaries - lawyers	\$ 377,131	\$ 301,609
Salaries - non-lawyers	128,523	129,501
Fringe benefits	151,859	131,716
Contract services	161,185	159,386
Travel and training	11,786	9,652
Space costs	35,951	30,153
Supplies	10,746	9,312
Equipment	2,589	1,714
Litigation	5,790	3,291
Other	<u>27,232</u>	<u>22,948</u>
Total Private Attorney Involvement (PAI) Expenses	<u>\$ 912,792</u>	<u>\$ 799,282</u>

10. ADVERTISING:

Southeast Louisiana Legal Services Corporation's policy is to expense all advertising fees as incurred. Advertising expense for the years ended December 31, 2018 and 2017, was \$1,995 and \$866, respectively.

11. BOARD OF DIRECTORS COMPENSATION:

The Board of Directors is a voluntary board; therefore, no compensation was paid to any board member during the years ended December 31, 2018 and 2017.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

12. SUBGRANT AGREEMENTS:

The Corporation entered into several subgrant agreements with the Pro Bono Project and the Baton Rouge Bar Foundation using funding received from Legal Services Corporation. The agreement with the Pro Bono Project is to provide attorney representation - pro bono. The contract period for the Pro Bono Project for the year ended December 31, 2018 was for the period February 1, 2018 through December 31, 2018. The contract period for the Pro Bono Project for the year ended December 31, 2017 was for the period February 1, 2017 through December 31, 2017. The subgrant agreements, approved by Legal Services Corporation, totaled \$63,000 for both December 31, 2018 and 2017. The subgrant agreement with the Baton Rouge Bar Foundation is to provide attorney representation - pro bono. For the year ended December 31, 2018, the agreement was for the period February 1, 2018 through December 31, 2018. The subgrant agreement for the year ended December 31, 2017 was for the period February 1, 2017 through December 31, 2017. The subgrant agreements approved by Legal Services Corporation, totaled \$52,000 for both December 31, 2018 and 2017. The expenditures for all subgrant agreements were used to satisfy part of the private attorney involvement condition of the Legal Services Corporation basic field grant.

The Corporation also entered into a subgrant agreement during the year ended December 31, 2017, to the Pro Bono Project in the amount of \$55,000 under the Pro Bono Innovation Fund. The contract period for the Pro Bono Innovation Fund was for a twenty four month period which began on October 1, 2015, and ended on September 30, 2017. This amount was not included in the private attorney percentage of 12.5%.

13. DEFERRED COMPENSATION PLAN:

Southeast Louisiana Legal Services Corporation maintains a deferred compensation plan pursuant to Section 403(b) of the Internal Revenue Code. Employees are eligible to participate in the plan upon employment, but the employer's contribution is not allocated to the employee participant accounts until after one year of service. Also, full vesting of benefits occurs after four years of employment. Covered employees may voluntarily contribute up to the IRS limits: \$18,500 (\$24,500 over 50 years of age) and \$18,000 (\$24,000 over 50 years of age) for the years ended December 31, 2018 and 2017, respectively. The 2018 and 2017 employer contribution rates remain unchanged from the prior years. The employer contribution for the years ended December 31, 2018 and 2017, totaled \$92,338 and \$114,143, respectively.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

14. FEDERAL AND STATE GRANTS:

The Corporation's participation in federal and state grant programs is governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Corporation has not complied with the rules and regulations governing the grants, refund of monies received may be required and the collectability of any related receivables at December 31, 2018 and 2017, may be impaired.

In the opinion of the management of the Corporation, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

15. LIMITATION OF FEDERAL CARRYOVER FUNDS:

The Legal Services Corporation limits the federal Legal Services Corporation fund balance carryover to 10% of the annualized grant award. Any excess carryover must be returned to the Legal Services Corporation. This percentage may be increased to 25% if a waiver of the restriction is submitted and approved. The Corporation did not have excess carryover funds for the years ended December 31, 2018 and 2017.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

16. NET ASSETS WITH RESTRICTIONS:

Net assets with restrictions are available for the following purposes at December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
AARP Foundation	\$ -	\$ 3,529
Albert and Elaine Borchard Foundation - Fellow	12,886	63,909
American College of Bankruptcy Foundation	10,000	-
Baptist Community Ministries	25,947	51,223
Baton Rouge Area Foundation - Successions Collaborative	-	143,996
Bayou Region GNOF	9,429	24,675
Berkley Law - Fellowship	-	7,692
CAAH - One Stop BR	4,167	-
Clean Slate Jefferson Parish	20,000	-
Gillis Long Social Justice Fellow	11,954	-
Greater New Orleans Flood Proof	9,019	-
Greater New Orleans Foundation	4,994	5,967
Greater New Orleans Foundation - Disaster Legal Relief	-	4,660
Greater New Orleans Foundation - Title Clearing	3,179	3,179
Irene W. and C.B. Pennington Foundation	5,409	7,599
Louisiana Bar Foundation - Access to Justice Fund	25,000	-
Louisiana Bar Foundation - Child Welfare Fellowship	-	7,876
Louisiana Bar Foundation - Child Welfare Fellowship 2018-2019	7,084	-
Louisiana Bar Foundation - CPP Houma	2,203	3,111
Louisiana Bar Foundation - CPP Northshore	4,483	4,483
Louisiana Bar Foundation - CPP Pro Bono	2,400	-
Louisiana Bar Foundation - CPP Southshore	3,173	3,173
Louisiana Bar Foundation - Fellowship 2018-2019	8,217	-
Louisiana Bar Foundation - Flood	-	1,626
Louisiana Bar Foundation - IOLTA	44,294	73,639
Louisiana Bar Foundation - JSCPP Veteran Clinic	2,294	-
Louisiana Bar Foundation - SRL Lafourche 2016-079	-	1,731
Louisiana Bar Foundation - SRL St. Charles 2017-062	-	442
Louisiana Bar Foundation - SRL St. Tammany 2016-078	-	3,251
Louisiana Bar Foundation - SRL Terrebonne 2018-056	3,215	-
Louisiana Disaster Recovery Alliance	-	22,167
New Orleans Artists Against Hunger and Homelessness, Inc.	313	-
New Orleans Bar	25,000	-
New Orleans Bar Foundation - Fellow	-	50,000
Start Corporation	49,509	51,751
State of Louisiana - Road Home Grant	36,388	36,388
The Hope Center, Inc	6,646	525
Tulane Law School - Lutz Fellow AK	-	4,988
Tulane Law School - Lutz Fellow JW	4,375	4,375
Tulane Law School - Lutz Fellow KK	3,042	-
Tulane Law School - Lutz Fellow LC	5,750	-
Tulane Law School - Lutz Fellow MF	5,544	9,500
United Way - Capital Area	-	2,190
United Way - Disaster	-	56,652
Total	<u>355,914</u>	<u>654,297</u>
Investment in Fixed Assets	403,796	360,923
Total With Restrictions	<u>\$ 759,710</u>	<u>\$ 1,015,220</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

17. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Corporation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year:

	2018	2017
Financial assets, at year-end:		
Cash and cash equivalents	\$ 680,039	\$ 1,002,142
Certificates of deposit	54,917	54,279
Grants and other receivables	668,779	647,178
Cash in escrow - client deposits	36,710	33,717
Total financial assets at year-end	1,440,445	1,737,316
Less contractual or donor-imposed restrictions:		
Client escrow funds	(36,710)	(33,717)
Donor-restricted for legal services (Louisiana Bar Foundation)	(102,363)	(99,332)
Donor-restricted for legal services (All Other Grants)	(253,551)	(554,965)
Total contractual or donor-imposed restrictions	(392,624)	(688,014)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,047,821	\$ 1,049,302

18. NET ASSETS DEFICIT BALANCE:

As of December 31, 2018, Legal Services Corporation TIG Grant #17026, Legal Services Corporation TIG Grant #17027, Legal Services Corporation Pro Bono Transformation Grant #17038, Louisiana Bar Foundation – Child in Need of Care, and United Way – St. Charles have deficit net assets without restrictions balances in the amounts of \$3,261, \$7,822, \$56,481, \$42,628, and \$21,711 respectively. As of December 31, 2017, the Pro Bono Transformation, Louisiana Bar Foundation – Child in Need of Care, Lafourche Council on Aging, and Plaquemine Council on Aging had deficit net assets without restrictions balances in the amounts of \$20,697, \$12,432, \$196, and \$178, respectively. The Corporation intends to cover these deficit balances with future operating revenues.

19. DATE OF MANAGEMENT'S REVIEW:

Management has evaluated subsequent events from the balance sheet date through April 30, 2019, the date the financial statements were available to be issued, and has determined there were no items to disclose.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

20. RECLASSIFICATIONS:

Certain 2017 amounts have been reclassified to conform to the 2018 financial statement presentation. Net assets are unchanged due to these reclassifications.

21. ECONOMIC DEPENDENCY:

As of December 31, 2018 and 2017, approximately 65% and 65%, respectively, of the Corporation's funding is provided through grants administered by the Legal Services Corporation and the Louisiana Bar Foundation. If significant budget cuts are incurred by either of the aforementioned grantors, the amount of funds received by the Corporation could be significantly reduced and adversely affect the Corporation's operations. Management is not aware of any actions that will adversely affect the amount of funding to be received by the Corporation in the next fiscal year.

SUPPLEMENTARY INFORMATION

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
 TO EXECUTIVE DIRECTOR
DECEMBER 31, 2018

Agency Head Name: Laura Tuggle, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 102,000
FICA	7,803
Benefits - insurance	10,579
Benefits - retirement	3,060
Benefits - compensated absences	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	5,996
Travel	3,027
Registration fees (Bar dues)	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
Cell phone	-
Dues	-
	\$ 132,465

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Legal Services Corporation - LA 13		
	Basic Field Grant	Private Attorney Involvement	Total
REVENUE AND SUPPORT:			
Grants and fees	\$ 3,172,778	\$ -	\$ 3,172,778
Interest	1,939	-	1,939
Donations	-	-	-
Other	13,482	-	13,482
Total revenue and support	3,188,199	-	3,188,199
EXPENSES:			
Personnel:			
Salaries - lawyers	1,021,310	98,992	1,120,302
Salaries - non-lawyers	694,706	128,523	823,229
Fringe benefits	537,217	130,717	667,934
Total personnel expenses	2,253,233	358,232	2,611,465
Contract services	20,057	121,185	141,242
Travel and training	39,584	11,785	51,369
Space costs	138,154	35,951	174,105
Supplies	45,389	10,745	56,134
Equipment	-	-	-
Depreciation	-	-	-
Litigation	-	-	-
Other	130,084	23,800	153,884
Total expenses	2,626,501	561,698	3,188,199
CHANGE IN NET ASSETS	561,698	(561,698)	-
NET ASSETS AT BEGINNING OF YEAR	2,398,251	(2,398,251)	-
INVESTMENT IN FIXED ASSETS	-	-	-
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	\$ -	\$ -	\$ -
NET ASSETS - WITH RESTRICTIONS END OF YEAR	\$ 2,959,949	\$ (2,959,949)	\$ -

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Legal Services Corporation				
	Technical Initiative Grant #13032	Technical Initiative Grant # 14005	Technical Initiative Grant # 17026	Technical Initiative Grant # 17027	Pro Bono Transformation Grant # 17038
REVENUE AND SUPPORT:					
Grants and fees	\$ 6,403	\$ 3,826	\$ 14,800	\$ 8,000	\$ 100,206
Interest	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>6,403</u>	<u>3,826</u>	<u>14,800</u>	<u>8,000</u>	<u>100,206</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	3,849	2,528	11,159	13,783	94,628
Salaries - non-lawyers	-	-	4,000	-	-
Fringe benefits	1,240	269	1,652	2,039	32,363
Total personnel expenses	<u>5,089</u>	<u>2,797</u>	<u>16,811</u>	<u>15,822</u>	<u>126,991</u>
Contract services	-	-	-	-	-
Travel and training	1,314	1,029	-	-	4,773
Space costs	-	-	-	-	-
Supplies	-	-	-	-	53
Equipment	-	-	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	-	-	-
Other	-	-	1,250	-	4,173
Total expenses	<u>6,403</u>	<u>3,826</u>	<u>18,061</u>	<u>15,822</u>	<u>135,990</u>
CHANGE IN NET ASSETS	-	-	(3,261)	(7,822)	(35,784)
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	(20,697)
INVESTMENT IN FIXED ASSETS	-	-	-	-	-
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,261)</u>	<u>\$ (7,822)</u>	<u>\$ (56,481)</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Gillis Long Law Center</u>	<u>Louisiana Disaster Recovery Alliance</u>	<u>Delgado Single Stop</u>	<u>LBF Flood Grant</u>	<u>LBF Fellow 2017-094</u>	<u>LBF CPP Houma</u>	<u>Louisiana Bar Foundation Community Partnership Panel Grant Southshore</u>	<u>Louisiana Bar Foundation Capital Funds</u>
\$ 80,682	\$ -	\$ 13,500	\$ -	\$ 30,000	\$ -	\$ -	\$ 25,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>80,682</u>	<u>-</u>	<u>13,500</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
-	10,923	10,060	1,626	18,514	677	-	-
80,682	-	-	-	-	-	-	-
-	3,744	3,440	-	11,486	231	-	-
<u>80,682</u>	<u>14,667</u>	<u>13,500</u>	<u>1,626</u>	<u>30,000</u>	<u>908</u>	<u>-</u>	<u>-</u>
-	7,500	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	9,675
<u>80,682</u>	<u>22,167</u>	<u>13,500</u>	<u>1,626</u>	<u>30,000</u>	<u>908</u>	<u>-</u>	<u>9,675</u>
-	(22,167)	-	(1,626)	-	(908)	-	15,325
-	22,167	-	1,626	-	3,111	3,173	-
-	-	-	-	-	-	-	(15,325)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,203</u>	<u>\$ 3,173</u>	<u>\$ -</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	Louisiana Bar Foundation Community Partnership Panel Grant <u>Northshore</u>	Louisiana Bar Foundation <u>IOLTA</u>	Equal Justice Veterans <u>Legal Corps</u>	West Tennessee LS HUD <u>Counseling</u>	Equal Justice America Law Clerks
REVENUE AND SUPPORT:					
Grants and fees	\$ -	\$ 1,038,437	\$ 4,854	\$ 12,950	\$ 5,000
Interest	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>-</u>	<u>1,038,437</u>	<u>4,854</u>	<u>12,950</u>	<u>5,000</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	-	655,303	4,794	8,762	-
Salaries - non-lawyers	-	70,058	-	-	5,000
Fringe benefits	-	244,112	-	2,997	-
Total personnel expenses	<u>-</u>	<u>969,473</u>	<u>4,794</u>	<u>11,759</u>	<u>5,000</u>
Contract services	-	2,300	-	-	-
Travel and training	-	4,509	-	-	-
Space costs	-	62,100	-	1,191	-
Supplies	-	13,100	24	-	-
Equipment	-	-	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	-	-	-
Other	-	16,300	36	-	-
Total expenses	<u>-</u>	<u>1,067,782</u>	<u>4,854</u>	<u>12,950</u>	<u>5,000</u>
CHANGE IN NET ASSETS	-	(29,345)	-	-	-
NET ASSETS AT BEGINNING OF YEAR	4,483	73,639	-	-	-
INVESTMENT IN FIXED ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ 4,483</u>	<u>\$ 44,294</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>NOBF Fellow</u>	<u>Irene W. and C.B. Pennington Foundation</u>	<u>Wisner City of New Orleans</u>	<u>Capital Area Medical-Legal Partnership</u>	<u>NOFJA DV Transitional Housing</u>	<u>JRAP</u>	<u>Jefferson Parish ESG</u>	<u>SRL St. Tammany 2016-078</u>
\$ -	\$ -	\$ 15,000	\$ 28,867	\$ 1,200	\$ 34,366	\$ 844	\$ 4,200
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>15,000</u>	<u>28,867</u>	<u>1,200</u>	<u>34,366</u>	<u>844</u>	<u>4,200</u>
37,258	1,642	11,178	5,503	1,200	17,350	632	5,410
-	-	-	14,438	-	-	-	-
12,742	543	3,822	5,718	-	5,934	212	1,850
<u>50,000</u>	<u>2,185</u>	<u>15,000</u>	<u>25,659</u>	<u>1,200</u>	<u>23,284</u>	<u>844</u>	<u>7,260</u>
-	-	-	-	-	6,000	-	-
-	5	-	-	-	30	-	-
-	-	-	1,604	-	-	-	-
-	-	-	-	-	1,502	-	191
-	-	-	-	-	-	-	-
-	-	-	-	-	3,550	-	-
-	-	-	1,604	-	-	-	-
<u>50,000</u>	<u>2,190</u>	<u>15,000</u>	<u>28,867</u>	<u>1,200</u>	<u>34,366</u>	<u>844</u>	<u>7,451</u>
(50,000)	(2,190)	-	-	-	-	-	(3,251)
50,000	7,599	-	-	-	-	-	3,251
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 5,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	SRL Lafourche <u>2016-079</u>	Borchard Fellow <u>Fellow</u>	SRL St. Charles <u>2017-062</u>	BRAFF Successions <u>Collaborative</u>	Berkley Law <u>Fellowship</u>
REVENUE AND SUPPORT:					
Grants and fees	\$ 4,000	\$ -	\$ 4,000	\$ -	\$ 20,000
Interest	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>20,000</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	4,406	51,023	2,555	47,649	27,692
Salaries - non-lawyers	-	-	-	-	-
Fringe benefits	924	-	805	15,275	-
Total personnel expenses	<u>5,330</u>	<u>51,023</u>	<u>3,360</u>	<u>62,924</u>	<u>27,692</u>
Contract services	-	-	-	41,800	-
Travel and training	57	-	1,082	-	-
Space costs	-	-	-	6,884	-
Supplies	344	-	-	367	-
Equipment	-	-	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	-	32,388	-
Other	-	-	-	(367)	-
Total expenses	<u>5,731</u>	<u>51,023</u>	<u>4,442</u>	<u>143,996</u>	<u>27,692</u>
CHANGE IN NET ASSETS	(1,731)	(51,023)	(442)	(143,996)	(7,692)
NET ASSETS AT BEGINNING OF YEAR	1,731	63,909	442	143,996	7,692
INVESTMENT IN FIXED ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ 12,886</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Lutz-MF</u>	<u>Lutz-AK</u>	<u>LBF Child Welfare Fellowship 2017-091</u>	<u>VOA Elder</u>	<u>United Way Disaster</u>	<u>Bayou Region GNOF</u>	<u>Capital Area Agency on Aging</u>	<u>St. Tammany Council on Aging</u>
\$ 9,500	\$ 9,500	\$ 15,000	\$ 3,908	\$ -	\$ -	\$ 32,044	\$ 9,413
-	-	-	4,360	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>9,500</u>	<u>9,500</u>	<u>15,000</u>	<u>8,268</u>	<u>-</u>	<u>-</u>	<u>32,044</u>	<u>9,413</u>
9,426	10,796	22,876	4,452	39,249	10,197	17,254	5,069
-	-	-	-	-	-	-	-
4,030	3,692	-	1,247	13,423	2,673	4,832	1,419
<u>13,456</u>	<u>14,488</u>	<u>22,876</u>	<u>5,699</u>	<u>52,672</u>	<u>12,870</u>	<u>22,086</u>	<u>6,488</u>
-	-	-	-	-	-	-	-
-	-	-	318	-	-	1,232	362
-	-	-	1,272	-	-	4,930	1,448
-	-	-	636	1,091	116	2,465	724
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,889	2,260	-	-
-	-	-	343	1,000	-	1,331	391
<u>13,456</u>	<u>14,488</u>	<u>22,876</u>	<u>8,268</u>	<u>56,652</u>	<u>15,246</u>	<u>32,044</u>	<u>9,413</u>
(3,956)	(4,988)	(7,876)	-	(56,652)	(15,246)	-	-
9,500	4,988	7,876	-	56,652	24,675	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 5,544</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,429</u>	<u>\$ -</u>	<u>\$ -</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	Livingston Parish Council on Aging	AARP	State of Louisiana Road Home Grant	Louisiana Bar Foundation Child in Need of Care	Lafourche Council on Aging
REVENUE AND SUPPORT:					
Grants and fees	\$ 14,043	\$ -	\$ -	\$ 642,499	\$ 6,259
Interest	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>14,043</u>	<u>-</u>	<u>-</u>	<u>642,499</u>	<u>6,259</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	7,562	2,683	-	438,710	3,265
Salaries - non-lawyers	-	-	-	39,840	-
Fringe benefits	2,117	846	-	96,601	914
Total personnel expenses	<u>9,679</u>	<u>3,529</u>	<u>-</u>	<u>575,151</u>	<u>4,179</u>
Contract services	-	-	-	32,900	252
Travel and training	540	-	-	19,411	233
Space costs	2,161	-	-	28,150	933
Supplies	1,080	-	-	4,500	466
Equipment	-	-	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	-	-	-
Other	583	-	-	12,583	-
Total expenses	<u>14,043</u>	<u>3,529</u>	<u>-</u>	<u>672,695</u>	<u>6,063</u>
CHANGE IN NET ASSETS	-	(3,529)	-	(30,196)	196
NET ASSETS AT BEGINNING OF YEAR	-	3,529	36,388	(12,432)	(196)
INVESTMENT IN FIXED ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,628)</u>	<u>\$ -</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,388</u>	<u>\$ -</u>	<u>\$ -</u>

Terrebonne Council on <u>Aging</u>	East Baton Rouge Council on <u>Aging</u>	St. John Council on <u>Aging</u>	St. Charles Council on <u>Aging</u>	Tulane Law School <u>Lutz Fellow-JW</u>	Plaquemine Council on <u>Aging</u>	<u>Lutz-LC</u>	Baptist Community <u>Mission</u>
\$ 8,121	\$ 13,015	\$ 4,660	\$ 3,919	\$ -	\$ 3,573	\$ 5,750	39,753
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>8,121</u>	<u>13,015</u>	<u>4,660</u>	<u>3,919</u>	<u>-</u>	<u>3,573</u>	<u>5,750</u>	<u>\$ 39,753</u>
4,373	7,008	2,509	2,110	-	1,828	-	24,949
-	-	-	-	-	-	-	-
1,225	1,962	702	590	-	512	-	7,796
<u>5,598</u>	<u>8,970</u>	<u>3,211</u>	<u>2,700</u>	<u>-</u>	<u>2,340</u>	<u>-</u>	<u>32,745</u>
-	-	-	-	-	-	-	27,061
312	501	179	151	-	131	-	(26)
1,249	2,002	717	603	-	522	-	3,049
625	1,001	358	301	-	261	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,174
337	541	195	164	-	141	-	26
<u>8,121</u>	<u>13,015</u>	<u>4,660</u>	<u>3,919</u>	<u>-</u>	<u>3,395</u>	<u>-</u>	<u>65,029</u>
-	-	-	-	-	178	5,750	(25,276)
-	-	-	-	4,375	(178)	-	51,223
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,375</u>	<u>\$ -</u>	<u>\$ 5,750</u>	<u>\$ 25,947</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	Unity of Greater New Orleans Inc. <u>Hopwa</u>	Unity of Greater New Orleans Inc. <u>SAMHSA</u>	Unity of Greater New Orleans Inc. <u>Housing</u>	New Orleans Office of Community Development <u>ESG</u>	Greater New Orleans <u>Foundation</u>
REVENUE AND SUPPORT:					
Grants and fees	\$ 19,385	\$ 66,096	\$ 12,853	\$ 60,000	\$ -
Interest	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>19,385</u>	<u>66,096</u>	<u>12,853</u>	<u>60,000</u>	<u>-</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	14,817	49,017	7,216	44,710	740
Salaries - non-lawyers	-	-	2,340	-	-
Fringe benefits	4,568	16,654	3,297	15,290	233
Total personnel expenses	<u>19,385</u>	<u>65,671</u>	<u>12,853</u>	<u>60,000</u>	<u>973</u>
Contract services	-	-	-	-	-
Travel and training	-	425	-	-	-
Space costs	-	-	-	-	-
Supplies	-	-	-	-	-
Equipment	-	-	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	-	-	-
Other	-	-	-	-	-
Total expenses	<u>19,385</u>	<u>66,096</u>	<u>12,853</u>	<u>60,000</u>	<u>973</u>
CHANGE IN NET ASSETS	-	-	-	-	(973)
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	5,967
INVESTMENT IN FIXED ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,994</u>

<u>Greater New Orleans Foundation Title Clearing</u>	<u>Start Corporation</u>	<u>CAAH One Stop BR</u>	<u>Gillis Long Social Justice Fellow</u>	<u>GNOF Disaster</u>	<u>Internal Revenue Service Grant</u>	<u>Other Non-Federal</u>	<u>United Way Tangipahoa</u>
\$ -	\$ 20,232	\$ 54,167	\$ 20,000	\$ -	\$ 100,000	\$ -	\$ 20,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,928	-
-	20,232	54,167	20,000	-	100,000	2,928	20,000
-	13,955	37,258	5,995	358	93,489	-	14,903
-	-	-	-	3,206	3,511	-	-
-	4,773	12,742	2,051	1,096	-	-	5,097
-	18,728	50,000	8,046	4,660	97,000	-	20,000
-	-	-	-	-	-	-	-
-	-	-	-	-	3,000	1,568	-
-	3,746	-	-	-	-	-	-
-	-	-	-	-	-	4	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,909	-
-	-	-	-	-	-	-	-
-	22,474	50,000	8,046	4,660	100,000	3,481	20,000
-	(2,242)	4,167	11,954	(4,660)	-	(553)	-
3,179	51,751	-	-	4,660	-	553	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,179	\$ 49,509	\$ 4,167	\$ 11,954	\$ -	\$ -	\$ -	\$ -

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>United Way New Orleans</u>	<u>United Way Donations</u>	<u>United Way Capital Area</u>	<u>Hope Center</u>	<u>VOCA Jefferson 3830</u>
REVENUE AND SUPPORT:					
Grants and fees	\$ 50,000	\$ -	\$ -	\$ 43,547	\$ 131,475
Interest	-	-	-	-	-
Donations	-	3,909	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>50,000</u>	<u>3,909</u>	<u>-</u>	<u>43,547</u>	<u>131,475</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	37,258	-	-	25,358	93,373
Salaries - non-lawyers	-	3,909	-	-	-
Fringe benefits	12,742	-	-	7,227	25,954
Total personnel expenses	<u>50,000</u>	<u>3,909</u>	<u>-</u>	<u>32,585</u>	<u>119,327</u>
Contract services	-	-	-	-	-
Travel and training	-	-	-	-	5,724
Space costs	-	-	-	3,641	-
Supplies	-	-	-	-	5,336
Equipment	-	-	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	2,190	1,200	1,088
Other	-	-	-	-	-
Total expenses	<u>50,000</u>	<u>3,909</u>	<u>2,190</u>	<u>37,426</u>	<u>131,475</u>
CHANGE IN NET ASSETS	-	-	(2,190)	6,121	-
NET ASSETS AT BEGINNING OF YEAR	-	-	2,190	525	-
INVESTMENT IN FIXED ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,646</u>	<u>\$ -</u>

VOCA Washington <u>3841</u>	VOCA New Orleans <u>3827</u>	United Way <u>St. Charles</u>	New Orleans <u>Bar</u>	Gillis Long Social Justice <u>Fellowship</u>	LBF Child Welfare Fellowship <u>2018-2019</u>	LBF Fellowship <u>2018-2019</u>	LBF CPP <u>Pro Bono</u>
\$ 115,944	\$ 29,142	\$ 33,917	\$ 25,000	\$ 20,000	\$ -	\$ 15,000	\$ 3,000
-	-	-	-	-	-	-	-
-	-	-	-	-	15,000	-	-
-	-	-	-	-	-	-	-
<u>115,944</u>	<u>29,142</u>	<u>33,917</u>	<u>25,000</u>	<u>20,000</u>	<u>15,000</u>	<u>15,000</u>	<u>3,000</u>
92,431	22,416	36,935	-	15,244	7,916	5,054	-
-	-	-	-	-	-	-	-
17,607	6,726	12,632	-	4,756	-	1,729	-
<u>110,038</u>	<u>29,142</u>	<u>49,567</u>	-	<u>20,000</u>	<u>7,916</u>	<u>6,783</u>	-
-	-	-	-	-	-	-	-
2,089	-	1,154	-	-	-	-	600
-	-	4,857	-	-	-	-	-
1,179	-	50	-	-	-	-	-
2,638	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>115,944</u>	<u>29,142</u>	<u>55,628</u>	-	<u>20,000</u>	<u>7,916</u>	<u>6,783</u>	<u>600</u>
-	-	(21,711)	25,000	-	7,084	8,217	2,400
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,711)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 7,084</u>	<u>\$ 8,217</u>	<u>\$ 2,400</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	LBF- Access to <u>Justice Fund</u>	LBF - JSCPP Veteran <u>Clinic</u>	GNOF Flood <u>Proof</u>	<u>Lutz - KK</u>	SRL 2018-056 <u>Terrebonne</u>
REVENUE AND SUPPORT:					
Grants and fees	\$ 25,000	\$ 7,913	\$ 22,000	\$ 5,750	\$ 4,500
Interest	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenue and support	<u>25,000</u>	<u>7,913</u>	<u>22,000</u>	<u>5,750</u>	<u>4,500</u>
EXPENSES:					
Personnel:					
Salaries - lawyers	-	-	5,469	-	987
Salaries - non-lawyers	-	1,986	-	-	-
Fringe benefits	-	152	1,870	2,708	-
Total personnel expenses	<u>-</u>	<u>2,138</u>	<u>7,339</u>	<u>2,708</u>	<u>987</u>
Contract services	-	-	5,642	-	-
Travel and training	-	1,871	-	-	-
Space costs	-	-	-	-	-
Supplies	-	462	-	-	298
Equipment	-	1,148	-	-	-
Depreciation	-	-	-	-	-
Litigation	-	-	-	-	-
Other	-	-	-	-	-
Total expenses	<u>-</u>	<u>5,619</u>	<u>12,981</u>	<u>2,708</u>	<u>1,285</u>
CHANGE IN NET ASSETS	25,000	2,294	9,019	3,042	3,215
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	-
INVESTMENT IN FIXED ASSETS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ 25,000</u>	<u>\$ 2,294</u>	<u>\$ 9,019</u>	<u>\$ 3,042</u>	<u>\$ 3,215</u>

<u>Safe VAWA</u>	<u>Haven VAWA</u>	<u>American College of Bankruptcy Foundation</u>	<u>St. James Council on Aging</u>	<u>Clean Slate Jefferson Parish</u>	<u>U.S. Department of Justice Assistance for Victims - Orleans</u>	<u>NOAAHH</u>	<u>General</u>
\$ 2,482	\$ 13,090	\$ 10,000	\$ 1,386	\$ 20,000	\$ 206,452	\$ 5,000	\$ 409,221
-	-	-	-	-	-	-	-
-	-	-	81	-	-	-	55,980
-	-	-	-	-	-	-	-
<u>2,482</u>	<u>13,090</u>	<u>10,000</u>	<u>1,467</u>	<u>20,000</u>	<u>206,452</u>	<u>5,000</u>	<u>465,201</u>
1,550	7,036	-	790	-	92,233	-	72,375
-	2,395	-	-	-	-	-	33,411
166	1,603	-	221	-	27,919	-	42,465
<u>1,716</u>	<u>11,034</u>	<u>-</u>	<u>1,011</u>	<u>-</u>	<u>120,152</u>	<u>-</u>	<u>148,251</u>
-	-	-	-	-	86,300	-	39,597
-	-	-	56	-	-	-	4,883
-	-	-	226	-	-	-	41,682
-	-	-	113	-	-	-	6,491
766	2,056	-	-	-	-	-	10,196
-	-	-	-	-	-	-	-
-	-	-	-	-	-	4,687	156
-	-	-	61	-	-	-	87,068
<u>2,482</u>	<u>13,090</u>	<u>-</u>	<u>1,467</u>	<u>-</u>	<u>206,452</u>	<u>4,687</u>	<u>338,324</u>
-	-	10,000	-	20,000	-	313	126,877
-	-	-	-	-	-	-	480,860
-	-	-	-	-	-	-	(48,578)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 559,159</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 313</u>	<u>\$ -</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF ACTIVITIES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

	Investment in Fixed Assets <u>Other</u>	Investment in Fixed Assets <u>Buildings</u>	<u>Total</u>
REVENUE AND SUPPORT:			
Grants and fees	\$ -	\$ -	\$ 7,022,422
Interest	-	-	6,299
Donations	-	-	74,970
Other	-	-	16,410
Total revenue and support	<u>-</u>	<u>-</u>	<u>7,120,101</u>
EXPENSES:			
Personnel:			
Salaries - lawyers	-	-	3,583,605
Salaries - non-lawyers	-	-	1,088,005
Fringe benefits	-	-	1,396,191
Total personnel expenses	<u>-</u>	<u>-</u>	<u>6,067,801</u>
Contract services	-	-	390,594
Travel and training	-	-	108,882
Space costs	-	-	347,072
Supplies	-	-	99,272
Equipment	-	-	16,804
Depreciation	2,764	18,266	21,030
Litigation	-	-	53,491
Other	-	-	291,319
Total expenses	<u>2,764</u>	<u>18,266</u>	<u>7,396,265</u>
CHANGE IN NET ASSETS	(2,764)	(18,266)	(276,164)
NET ASSETS AT BEGINNING OF YEAR	64,801	296,122	1,463,130
INVESTMENT IN FIXED ASSETS	<u>7,114</u>	<u>56,789</u>	<u>-</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 427,256</u>
NET ASSETS WITH RESTRICTIONS - END OF YEAR	<u>\$ 69,151</u>	<u>\$ 334,645</u>	<u>\$ 759,710</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO SUPPLEMENTARY INFORMATION
DECEMBER 31, 2018

NOTE 1. PRIVATE ATTORNEY INVOLVEMENT COSTS

Private attorney involvement costs were generated from the following non-LSC programs:

Louisiana Bar Foundation	\$ 304,943
Other Grants	<u>46,285</u>
	<u>\$ 351,228</u>

NOTE 2. NET ASSETS – WITHOUT RESTRICTIONS

Net Assets without restrictions consists of interest income, unrestricted contributions, and court filing fees.



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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

April 30, 2019

Board of Directors of the
Southeast Louisiana Legal Services Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Southeast Louisiana Legal Services Corporation (a non-profit corporation), which comprise the statement of financial position as of December 31, 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 April 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southeast Louisiana Legal Services Corporation'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 Southeast Louisiana Legal Services Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Southeast Louisiana Legal Services Corporation's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southeast Louisiana Legal Services Corporation'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying summary schedule of current year findings as item 2018-01.

The Corporation's response to the finding identified in our audit is described in the Schedule of Findings and Questioned Cost. The Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of the 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 Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana



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

April 30, 2019

Board of Directors of the
Southeast Louisiana Legal Services Corporation

Report on Compliance for Each Major Federal Program

We have audited Southeast Louisiana Legal Services Corporation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Legal Services Corporation Audit Guide and Compliance Supplement (the Audit Guide) that could have a direct and material effect on each of Southeast Louisiana Legal Services Corporation's major federal programs for the year ended December 31, 2018. Southeast Louisiana Legal Services Corporation'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

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Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Southeast Louisiana Legal Services Corporation'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) and the Legal Services Corporation Audit Guide and Compliance Supplement. 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 Southeast Louisiana Legal Services 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 each major federal program. However, our audit does not provide a legal determination of Southeast Louisiana Legal Services Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, Southeast Louisiana Legal Services Corporation 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 December 31, 2018.

Report on Internal Control over Compliance

Management of Southeast Louisiana Legal Services 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 Southeast Louisiana Legal Services Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on a 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 Southeast Louisiana Legal Services 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 weakness 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.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>PROGRAM DEPARTMENT / TITLE</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantors' Number</u>	<u>Federal Expenditures</u>	<u>Subrecipient Costs</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Funds passed through West Tennessee Legal Services, Inc.:				
Housing Counseling Assistance Program	14.169		\$ 12,950	\$ -
Funds passed through Unity of Greater New Orleans, Inc.:				
Violence Against Women Act and Housing Opportunities for Persons with AIDS	14.241		19,385	-
Funds passed through Jefferson Parish:				
Emergency Solutions Grant	14.231		844	-
Funds passed through City of New Orleans:				
Emergency Solutions Grant	14.231		60,000	-
Funds passed through Housing Authority of New Orleans:				
Juvenile Reentry Assistance Program (JRAP)	14.897		34,366	6,000
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			127,545	6,000
<u>LEGAL SERVICES CORPORATION</u>				
Basic Field	9.61908		3,188,199	115,000
Technical Initiative Grant	9.61908		44,112	-
Pro Bono Transformation Grant	9.61908		135,990	-
TOTAL LEGAL SERVICES CORPORATION			3,368,301	115,000
<u>INTERNAL REVENUE SERVICE</u>				
LITC Program	21.008		100,000	-
TOTAL INTERNAL REVENUE SERVICE			100,000	-
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Funds passed through Capital Area Agency on Aging:				
Title III B Supportive Services	93.044		32,044	-
Funds passed through St. Tammany Council on Aging:				
Title III B Supportive Services	93.044		9,413	-
Funds passed through Livingston Council on Aging:				
Title III B Supportive Services	93.044		14,043	-
Funds passed through Lafourche Council on Aging:				
Title III B Supportive Services	93.044		6,063	-

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Federal CFDA <u>Number</u>	Pass-Through Grantors' <u>Number</u>	Federal <u>Expenditures</u>	Subrecipient <u>Costs</u>
<u>U.S. DEPARTMENT OF HEALTH</u>				
<u>AND HUMAN SERVICES</u> (Continued)				
Funds passed through Terrebonne Council on Aging:				
Title III B Supportive Services	93.044		\$ 8,121	\$ -
Funds passed through East Baton Rouge Council on Aging:				
Title III B Supportive Services	93.044		13,015	-
Fund passed through St. John Council on Aging:				
Title III B Supportive Services	93.044		4,660	-
Funds passed through St. James Council on Aging:				
Title III B Supportive Services	93.044		1,467	-
Funds passed through St. Charles Council on Aging:				
Title III B Supportive Services	93.044		3,919	-
Funds passed through Plaquemine Council on Aging:				
Title III B Supportive Services	93.044		3,395	-
Funds passed through Unity of Greater New Orleans, Inc.:				
Substance Abuse and Mental Health Services Projects				
of Regional and National Significance	93.243		66,096	-
TOTAL U.S. DEPARTMENT OF HEALTH			<u>162,236</u>	<u>-</u>
AND HUMAN SERVICES				
 <u>U.S. DEPARTMENT OF JUSTICE</u>				
Legal Assistance for Victims	16.524		206,452	86,300
Funds passed through Southeast Spouse Abuse Program				
Legal Assistance for Victims	16.524		2,482	
Funds passed through The Haven, Inc.				
Legal Assistance for Victims	16.524		13,090	
Funds passed through New Orleans Family Justice Alliance				
Transitional Housing Assistance	16.736		1,200	-
Funds passed through Louisiana Commission				
on Law Enforcement:				
Crime Victim Assistance	16.575		276,561	-
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>499,785</u>	<u>86,300</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Federal CFDA Number</u>	<u>Pass-Through Grantors' Number</u>	<u>Federal Expenditures</u>	<u>Subrecipient Costs</u>
<u>U.S. DEPARTMENT OF VETERANS AFFAIRS</u>				
Funds passed through Start Corporation:				
Supportive Services for Veteran Families	64.033		22,474	-
Funds passed through The Hope Center, Inc.				
Supportive Services for Veteran Families	64.033		<u>37,426</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF VETERANS AFFAIRS			<u>59,900</u>	<u>-</u>
 TOTAL FEDERAL EXPENDITURES			 <u>\$ 4,317,767</u>	 <u>\$ 207,300</u>

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal award activity of Southeast Louisiana Legal Services Corporation under programs of the federal government for the year ended December 31, 2018. The information in the schedule of expenditures of federal awards 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*. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of Southeast Louisiana Legal Services Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Southeast Louisiana Legal Services Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Southeast Louisiana Legal Services Corporation and is presented on the accrual basis of accounting. Grant revenues are recorded, for financial reporting purposes, when Southeast Louisiana Legal Services Corporation has met the cost of reimbursement or funding qualifications for the respective grants.

3. DE MINIMUS COST RATE:

During the year ended December 31, 2018, the Corporation did not elect to use the 10% de minimus cost rate as covered in §200.414 of the Uniform Guidance.

4. CONTRACT COMPLIANCE – LEGAL SERVICE CORPORATION:

Legal Services Corporation requires that the corporation expend 12.5% of their funding towards private attorney involvement. The contract compliance condition was satisfied for the year ended December 31, 2018.

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- * Material weakness(es) identified? _yes X no
- * Control deficiencies identified that are not considered to be material weaknesses? _yes X no
- * Noncompliance material to financial statements noted? _yes X no

Federal Awards:

Internal control over major programs:

- * Material weaknesses? _yes X no
- * Control deficiencies identified that are not considered to be material weaknesses? _yes X no

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance: _yes X no

Identification of major program:

<u>Name of Program</u>	<u>CFDA No.</u>	<u>Expenditures</u>
Legal Services Corporation	09.619081	\$ <u>3,368,301</u>

The dollar threshold used to distinguish between Type A and Type B program was: \$ 750,000

Auditee qualified as low-risk auditee? _yes X no

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018

B. FINDINGS REQUIRED TO BE REPORTED UNDER GOVERNMENTAL AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA:

2018-01 403(B) CONTRIBUTIONS

During the testing of payroll and benefits it was noted that the Corporation did not remit the employee deferral and employer match contributions for the pay period ended June 22, 2018 to the 403(b) Plan until March 25, 2019. Not remitting the 403(b) contributions timely results in employee contributions not being invested timely, in addition to noncompliance with Department of Labor (DOL) regulations. The DOL requires that the employer deposit deferrals to the trust as soon as the employer can; however, in no event can the deposit be later than the 15th business day of the following month. We recommend that the Corporation make all 403(b) plan contributions timely.

Management's Response:

Our Chief Financial Officer had prepared this transfer but had inadvertently failed to submit it. Upon discovery of this omission during the course of our audit, we immediately submitted all funds due on March 25, 2019 and we are in the process of voluntarily reporting this isolated incident to the Department of Labor.

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

NONE

D. PRIOR YEAR FINDINGS:

NONE

SOUTHEAST LOUISIANA
LEGAL SERVICES CORPORATION

HAMMOND, LOUISIANA

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED UPON PROCEDURES

DECEMBER 31, 2018

SOUTHEAST LOUISIANA LEGAL SERVICES CORPORATION

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Duplantier Hrapmann Hogan & Maher, LLP

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES

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April 23, 2019

Board of Directors
Southeast Louisiana Legal Services Corporation and
Louisiana Legislative Auditor

We have applied the procedures enumerated below which were agreed to by Southeast Louisiana Legal Services Corporation (the Corporation) and the Louisiana Legislative Auditor, on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed Upon Procedures for the year ended December 31, 2018. The Corporation's management is responsible for the control and compliance areas identified in the Statewide Agreed Upon Procedures.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

- 1) We obtained the entity's written policies and procedures and determined whether those written policies and procedures addressed each of the following financial/business functions, as applicable:
 - a) Budgeting, including preparing, adopting, monitoring, and amending the budget.
 - 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.

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- c) Disbursements, including processing, reviewing, and approving.
- d) Receipts, 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 (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- 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.
- 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.
- h) Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) Ethics - Not applicable
- j) Debt Service - Not applicable

No findings were noted as a result of applying the procedures above.

Bank Reconciliations

- 2) 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 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 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.
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No findings were noted as a result of applying the procedures above.

Collections

- 3) Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposits sites (or all deposit sites if less than 5).
- 4) 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 (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - 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.
 - 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.
 - 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.

No findings were noted as a result of applying the procedures above.

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

No findings were noted as a result of applying the procedure above.

- 6) Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #2 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day).
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.

- d) Observe that the deposit was made within one business day of the receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

Upon applying the procedure above, we noted that there was no record of when checks were received in the New Orleans office and, therefore, could not be determine how many days lapsed between receipt and deposit of funds.

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

- 7) Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

No findings were noted as a result of applying the procedure above.

- 8) For each location selected under #7 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 (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in processing and approving payments to vendors.
 - b) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changed to vendor files.
 - c) 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.

No findings were noted as a result of applying the procedures above.

- 9) For each location selected under #7 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 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No findings were noted as a result of applying the procedures above.

Payroll and Personnel

- 10) Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel file.

No findings were noted as a result of applying the procedure above.

- 11) Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #10 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave record.

No findings were noted as a result of applying the procedures above.

- 12) Obtain a listing of those employees/officials 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' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

No findings were noted as a result of applying the procedure above.

- 13) 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.

We noted that a 403(b) - employee and employer contribution payment to the third party administrator was not paid timely for the pay period ending June 22, 2018. Payment was made on May 25, 2019.

Other

- 14) 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.

No misappropriations were noted.

- 15) 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.

No findings were noted as a result of applying the procedure above.

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 the control and compliance areas identified in the Statewide 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.

This report is intended solely to describe the scope of testing performed on those control and compliance areas identified in the Statewide Agreed-Upon Procedures, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, the 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.

Duplantier, Hrapmann, Hogan & Maher, LLP

New Orleans, Louisiana