

**ST. BERNARD  
BATTERED WOMEN'S PROGRAM, INC.**

Financial Statements

Year Ended June 30, 2017

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# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

## OFFICES

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Brad E. Kolder, CPA, JD\*  
Stephen J. Anderson, CPA\*  
Penny Angelle Scruggins, CPA  
Christine C. Doucet, CPA  
Wanda F. Arcement, CPA, CVA  
Bryan K. Joubert, CPA  
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA  
Alan M. Taylor, CPA  
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®\*  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr., CPA  
Jane R. Hebert, CPA  
Deidre L. Stock, CPA  
Karen V. Fontenot, CPA  
Tabby A. LeMay, CPA  
Shayne M. Breaux, CPA

\* A Professional Accounting Corporation

183 South Beadle Rd  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

450 East Main Street  
New Iberna, LA 70560  
Phone (337) 367-9204  
Fax (337) 367-9208

113 East Bndge St  
Breaux Bndge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

1234 David Dr Ste 203  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

1013 Main Street  
Franklin, LA 70538  
Phone (337) 828-0272  
Fax (337) 828-0290

434 East Main Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

133 East Waddil St  
Marksville LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

332 West Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

1428 Metro Dnve  
Alexandria, LA 71301  
Phone (318) 442-4421  
Fax (318) 442-9833

WEB SITE  
[WWW.KCSRCPAS.COM](http://WWW.KCSRCPAS.COM)

Retired  
Conrad O. Chapman, CPA\* 2006

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
St. Bernard Battered Women's Program, Inc.  
Chalmette, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the St. Bernard Battered Women's Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the St. Bernard Battered Women's Program, Inc.'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 St. Bernard Battered Women's Program, Inc.'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 the St. Bernard Battered Women’s Program, Inc. as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial information listed as “Supplemental Information” in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on the supplemental information.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2017, on our consideration of the St. Bernard Battered Women’s Program, Inc.’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Bernard Battered Women’s Program, Inc.’s internal control over financial reporting and compliance.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2017

## **FINANCIAL STATEMENTS**

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Financial Position  
June 30, 2017

ASSETS

Current assets	
Cash and cash equivalents	\$ 283,512
Investments	236,649
Due from other agencies	108,401
Other receivables	300
Prepaid expenses	<u>522</u>
Total current assets	629,384
Fixed assets	
Property and equipment, net	<u>790,457</u>
Total assets	<u>\$1,419,841</u>

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	\$ 672
Accrued liabilities	<u>26,514</u>
Total current liabilities	<u>27,186</u>
Net assets	
Unrestricted	1,349,515
Temporarily restricted	<u>43,140</u>
Total net assets	<u>1,392,655</u>
Total liabilities and net assets	<u>\$1,419,841</u>

*The accompanying notes are an integral part of the financial statements.*

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Activities  
Year Ended June 30, 2017

Unrestricted net assets		
Revenue and support		
Federal, state and local grants and contracts	\$	338,503
United Way for Greater New Orleans Area		27,337
United Way payroll designations		34,280
Contributions		65,958
Fundraising		47,644
Net assets released from restrictions		<u>86,101</u>
Total unrestricted revenue and support		<u>599,823</u>
Expenses		
Program services		467,523
Supporting services		
Management and general		74,307
Fundraising		<u>100</u>
Total expenses		<u>541,930</u>
Increase in unrestricted net assets		<u>57,893</u>
Temporarily restricted net assets		
Federal, state and local grants and contracts		53,648
Other grants and contracts		25,000
Interest income		4,597
Net assets released from restrictions		<u>(86,101)</u>
Decrease in temporarily restricted net assets		<u>(2,856)</u>
Change in net assets		55,037
Net assets, beginning of year		<u>1,337,618</u>
Net assets, end of year	\$	<u>1,392,655</u>

*The accompanying notes are an integral part of the financial statements.*

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Functional Expenses  
Year Ended June 30, 2017

	Program Services	Supporting Services		Total
	Victim Support and Shelter	Management and General	Fundraising	
Salaries	\$ 276,968	\$ 45,088	\$ -	\$ 322,056
Payroll taxes	22,585	3,677	-	26,262
Accounting and audit fees	5,051	9,900	-	14,951
Client services expenses	12,208	-	-	12,208
Client transportation expenses	853	-	-	853
Depreciation	35,614	15,263	-	50,877
Dues and subscriptions	2,414	379	-	2,793
Equipment expense	2,858	-	-	2,858
Equipment rental	3,434	-	-	3,434
Food supplies	4,017	-	-	4,017
Fundraising expenses	-	-	100	100
Insurance	36,911	-	-	36,911
Licenses and permits	30	-	-	30
Loss on disposition	8,316	-	-	8,316
Office supplies and expense	12,307	-	-	12,307
Operating supplies	3,748	-	-	3,748
Other professional fees	225	-	-	225
Postage and delivery	236	-	-	236
Repairs and maintenance	13,524	-	-	13,524
Telephone	7,264	-	-	7,264
Training and conferences	559	-	-	559
Travel	3,287	-	-	3,287
Utilities	15,114	-	-	15,114
	<u>\$ 467,523</u>	<u>\$ 74,307</u>	<u>\$ 100</u>	<u>\$ 541,930</u>

*The accompanying notes are an integral part of the financial statements.*

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Statement of Cash Flows  
Year Ended June 30, 2017

Cash flows from operating activities	
Change in net assets	\$ 55,037
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	50,877
Loss on disposition of asset	8,316
Decrease in due from other agencies	16,136
Decrease in other receivables	4,152
Decrease in prepaid expenses	18
Decrease in accounts payable	(5)
Increase in accrued liabilities	<u>4,643</u>
Net cash provided by operating activities	<u>139,174</u>
Cash flows from investing activities	
Purchases of certificates of deposit	(236,649)
Proceeds from maturities of certificates of deposit	232,050
Purchase of equipment and furnishings	(3,121)
Purchase of computer equipment	(2,453)
Facility improvements and renovations	<u>(7,410)</u>
Net cash used by investing activities	<u>(17,583)</u>
Net increase in cash	121,591
Cash at beginning of year	<u>161,921</u>
Cash at end of year	<u>\$ 283,512</u>

*The accompanying notes are an integral part of the financial statements.*

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements

(1) Nature of Organization and Significant Accounting Policies

A. Nature of Organization

St. Bernard Battered Women's Program, Inc. (SBBWP) is a non-profit organization that provides a wide range of services to victims of domestic violence in St. Bernard and Plaquemines Parishes. Its core service is providing shelter and support for adult and child victims of domestic violence. In addition, a 24-hour crisis line, individual assessment, and case management are provided. SBBWP is also actively involved with community education including law enforcement training and support groups. SBBWP coordinates domestic abuse intervention through the court system and through services to child victims of domestic violence.

The accompanying financial statements of SBBWP have been prepared on the accrual basis of accounting.

B. Economic Dependence

SBBWP receives a significant portion of its funding through the State of Louisiana Department of Children and Family Services. Should the state agency cut its funding or disallow items, SBBWP may be required to reduce its services.

C. Significant Accounting Policies

Financial statement presentation

The financial statements are prepared on the accrual basis of accounting. The financial statements are prepared in accordance with *FASB Accounting Standards Codification 958-205, Presentation of Financial Statements*. *FASB Accounting Standards Codification 958-205, Presentation of Financial Statements* states that a complete set of financial statements for a non-profit organization includes (1) a statement of financial position, (2) a statement of activities, (3) a statement of cash flows, and (4) notes to the financial statements. In addition, voluntary health and welfare organization are required to present a statement of functional expenses in a matrix format that reports expenses by both function and their natural classifications.

In accordance with *FASB Accounting Standards Codification 958-210, Balance Sheet* a statement of financial position focuses on the organization as a whole and, therefore, reports total assets, liabilities, and net assets by class (unrestricted, temporarily restricted, and permanently restricted).

Permanently restricted net assets result from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of SBBWP.

Temporarily restricted net assets result from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

Unrestricted net assets represent those assets which are not subject to donor-imposed stipulations and, therefore, are assets the organization may use at its discretion.

D. Support and Expenses

All revenues and support are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities as net assets released from restrictions.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

E. Contributions

In accordance with *FASB Accounting Standards Codification Section 958-605, Revenue Recognition*, contributions are recognized when the donor makes a promise to give and are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

SBBWP reports gifts of cash and other assets as unrestricted support unless they are received with donor stipulations that limit the use of the donated assets. When the donor restriction expires, that is, when the time restriction ends or the purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

SBBWP reports contributions of assets other than cash at their estimated fair value at the date of the gift and are reported as revenues of the unrestricted net asset class unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenues of the temporarily restricted or permanently restricted net asset classes. Absent explicit donor stipulations about how long those long-lived assets must be maintained, SBBWP reports expiration of donor restrictions when the donated or acquired long-lived assets are placed in service.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net assets classes. When a qualifying expenditure occurs or a time restriction expires, temporarily restricted assets are recognized in unrestricted net assets as "net assets released from restrictions" in the statement of activities. However, if a restriction is fulfilled in the same period in which the contribution is received, the contribution is reported as an unrestricted contribution.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

F. Allowance for Doubtful Accounts

SBBWP considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is provided.

G. Property and Equipment

Purchased property and equipment are recorded at cost at the date of acquisition. Property and equipment purchased with grant funds are recorded as temporarily restricted contributions. In the absence of donor stipulations regarding how long the assets must be used, the SBBWP has adopted a policy of implying a time restriction that expires over the useful life of the assets. SBBWP maintains a threshold level of \$500 or more for capitalizing capital assets.

Depreciation is computed by the straight-line method based on the following estimated lives:

	<u>Years</u>
Buildings and improvements	20-40
Furniture, equipment and vehicles	5-12

H. Compensated Absences

Employees of SBBWP earn annual leave in varying amounts depending upon length of service. Sick leave is earned at the rate of 75 hours per year. Upon termination, no payment is made for unused sick leave, but accrued annual leave is paid up to a maximum of 40 hours of accrual. Accrued compensated absences are reported in the statement of financial position as accrued liabilities.

I. Donated Services

SBBWP receives donated services from unpaid volunteers who assist in program services during the year. However, these donated services are not reflected in the statement of activity because the criteria for recognition under *FASB Accounting Standards Codification 958-605, Revenue Recognition* have not been satisfied.

J. Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking accounts on deposit in a local bank. At June 30, 2017, SBBWP maintained deposit balances (bank balances) totaling \$284,494. These funds are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The remaining balance in excess of FDIC coverage, totaling \$34,494, is not insured and exposed to custodial credit risk.

For the purposes of the statement of cash flows, SBBWP considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

K. Investments

Certificates of deposit are carried at cost which approximates market. Investments in marketable securities are reported at fair value. Donated securities are initially recorded at their fair value on the date of the gift. Net investment income is recorded in unrestricted net assets, except for that portion of investment income derived from permanently restricted net assets, which is to be used in accordance with donor restrictions and which is therefore recorded in temporarily restricted net assets. Unrealized appreciation or depreciation of investments is included in the accompanying statement of activities as well as realized gains and losses on sales of marketable securities.

L. Income Taxes

SBBWP has received a determination letter from the Internal Revenue Service indicating that it is an tax-exempt organization as provided for in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes except to the extent it has unrelated business income. Income from certain activities not directly related to the organization's tax-exempt purpose is subject to taxation. If the organization were to be subject to unrelated business income tax, these taxes would be included in management and general expenses in the accompanying statement of activities.

M. Natural Classification of Expenses

The cost of providing for SBBWP'S programs and administering the related supporting services has been summarized on a functional basis in the statement of activities. Accordingly, expenses that benefit both program and supporting services have been allocated using management's estimates.

SBBWP's fundraising activities, in many cases, include purposes or contents related to a program service. *FASB Accounting Standards Codification 958-720, Other Expenses* states that joint costs of informational materials or activities should be allocated between fundraising and the appropriate program or general function if it can be demonstrated that a program or general function has been performed in conjunction with the appeal for funds. Although SBBWP has the ability to give evidence for such combined activities, it does not allocate those portions from its fundraising activities to program services.

N. Advertising

Advertising costs are expensed as incurred. Advertising expense was \$0 in 2017.

O. Operations

During the year ended June 30, 2017, the organization entered into reimbursement contracts with various agencies of the federal and state governments. Under these contracts, SBBWP would be reimbursed for expenses incurred for the operation of its battered women's shelter program and programs providing counseling or legal assistance regarding the prevention of, or obtaining relief from, spousal/family battery or cruelty in the form of temporary restraining orders or other protective orders issued through the court system.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

(2) Accounting Estimates

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

(3) Due from Other Agencies

Due from other agencies consisted of the following at June 30, 2017:

State of Louisiana -	
Department of Children and Family Services	\$ 39,110
Louisiana Commission on Law Enforcement	20,083
St. Bernard Parish Government	9,556
Other -	
United Way	<u>39,652</u>
	<u>\$ 108,401</u>

(4) Property and Equipment

Property and equipment consisted of the following at June 30, 2017:

Capital assets not being depreciated	
Land	\$ 80,000
Capital assets being depreciated	
Building cost and renovations	822,266
Playground development and landscaping	14,321
Telephone, camera and alarm security systems	52,134
Gated fence and outside lighting	30,191
Computer equipment	15,115
Furniture and equipment	160,448
Pet facility and storage	9,640
Transportation vehicles	<u>27,390</u>
	1,211,505
Less accumulated depreciation	<u>(421,048)</u>
	<u>\$ 790,457</u>

Depreciation expense totaling \$50,877 was recognized in the statement of activities for the year ended June 30, 2017 . A loss on the disposition of an asset was incurred in the amount of \$8,316 and was recognized as a program expense on the statement of activities for the year ended June 30, 2017.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

(5) Art Collection

During fiscal year ended June 30, 2008, the organization received several oil paintings and water and ink drawings from the Jean Bragg Gallery in New Orleans, LA. These paintings were part of a collection of the early works of Jane Randolph, later known as Jane Randolph Whipple, a student who studied fine art at Newcomb College in New Orleans, LA during the 1927-1931 time period. Ms. Whipple was well known in the art community and was known as having had success abroad in Paris, France and London, England. SBBWP has adopted a policy of not capitalizing the collection of artwork in its financial statements.

(6) Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of the following at June 30, 2017:

Book value of property and equipment purchased	<u>\$ 43,140</u>
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(7) Summary of Grants/Contracts Funding

SBBWP was funded through the following grants and contracts for the year ended June 30, 2017:

<u>Funding Source/Program</u>	<u>CFDA No.</u>	<u>Award No.</u>	<u>Recognized Support</u>
State of Louisiana:			
Louisiana Commission on Law Enforcement:			
Domestic Violence Program - VOCA	16.575	2015-VA-02-2772	\$ 71,260
Domestic Violence Program - VAWA	16.588	2015-WF-03-3151	8,043
Domestic Violence Program - VAWA	16.588	2016-WF-03-3579	8,686
Department of Children and Family Services (DCFS)	93.671	2000124894	247,560
DCFS - Marriage Licenses and Civil Fees			1,377
Louisiana Bar Foundation:			
IOLTA Grant Program		2016-027	25,000
Parish of St. Bernard:			
Emergency Solutions Grant Program	14.231	CFMS #715145	53,648
Marriage Licenses and Civil Fees			<u>1,577</u>
			<u>\$ 417,151</u>

(8) Contingent Liabilities

SBBWP receives grants for specific purposes that are subject to review and audit by the agency providing the funding. Such reviews and audits could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Notes to Financial Statements (continued)

(9) Subsequent Events

Management has evaluated subsequent events through December 27, 2017, the date which the financial statements were available for issue.

(10) Compensation and Other Payments to Chief Officer

Act 706 of the 2014 Louisiana Session amended R.S. 24:513(A) requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. Payments to the Executive Director, Gail Gowland, for the year ended June 30, 2017 are as follows:

Wages	\$ 58,500
Benefits - Insurance	2,200
Travel	1,100
Meals	<u>113</u>
	<u>\$ 61,913</u>

**SUPPLEMENTAL INFORMATION**

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Financial Position  
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 283,512	\$ 161,921
Investments	236,649	232,050
Due from other agencies	108,401	124,537
Other receivables	300	4,452
Prepaid expenses	522	540
Total current assets	<u>629,384</u>	<u>523,500</u>
Fixed assets		
Property and equipment, net	<u>790,457</u>	<u>836,666</u>
Total assets	<u>\$ 1,419,841</u>	<u>\$ 1,360,166</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 672	\$ 677
Accrued liabilities	26,514	21,871
Total current liabilities	<u>27,186</u>	<u>22,548</u>
Net assets		
Unrestricted	1,349,515	1,291,622
Temporarily restricted	43,140	45,996
Total net assets	<u>1,392,655</u>	<u>1,337,618</u>
Total liabilities and net assets	<u>\$ 1,419,841</u>	<u>\$ 1,360,166</u>

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Activities  
Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Unrestricted net assets		
Revenue and support		
Federal, state and local grants and contracts	\$ 338,503	\$ 333,092
United Way for Greater New Orleans Area	27,337	3,000
United Way payroll designations	34,280	28,032
Contributions	65,958	94,598
Fundraising	47,644	2,082
Net assets released from restrictions	<u>86,101</u>	<u>100,775</u>
Total unrestricted revenue and support	<u>599,823</u>	<u>561,579</u>
Expenses		
Program services	467,523	448,582
Supporting services		
Management and general	74,307	69,087
Fundraising	<u>100</u>	<u>1,263</u>
Total expenses	<u>541,930</u>	<u>518,932</u>
Increase in unrestricted net assets	<u>57,893</u>	<u>42,647</u>
Temporarily restricted net assets		
State grants	53,648	98,473
Other grants and contracts	25,000	15,278
Interest income	4,597	5,056
Net assets released from restrictions	<u>(86,101)</u>	<u>(100,775)</u>
Increase (decrease) in temporarily restricted net assets	<u>(2,856)</u>	<u>18,032</u>
Change in net assets	55,037	60,679
Net assets, beginning of year	<u>1,337,618</u>	<u>1,276,939</u>
Net assets, end of year	<u>\$ 1,392,655</u>	<u>\$ 1,337,618</u>

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Functional Expenses  
Years Ended June 30, 2017 and 2016

	2017				2016
	Victim Support and Shelter	Management and General	Fundraising	Total	Total
Salaries	\$ 276,968	\$ 45,088	\$ -	\$ 322,056	\$ 299,648
Payroll taxes	22,585	3,677	-	26,262	24,939
Accounting and audit fees	5,051	9,900	-	14,951	11,958
Bank charges	-	-	-	-	11
Client services expenses	12,208	-	-	12,208	14,525
Client transportation expenses	853	-	-	853	1,510
Depreciation	35,614	15,263	-	50,877	48,687
Dues and subscriptions	2,414	379	-	2,793	1,833
Equipment expense	2,858	-	-	2,858	2,817
Equipment rental	3,434	-	-	3,434	3,341
Food supplies	4,017	-	-	4,017	3,487
Fundraising expenses	-	-	100	100	1,263
Insurance	36,911	-	-	36,911	30,269
Licenses and permits	30	-	-	30	25
Loss on disposition	8,316	-	-	8,316	-
Office supplies and expense	12,307	-	-	12,307	20,397
Operating supplies	3,748	-	-	3,748	6,156
Other professional fees	225	-	-	225	-
Postage and delivery	236	-	-	236	740
Repairs and maintenance	13,524	-	-	13,524	21,177
Telephone	7,264	-	-	7,264	6,980
Training and conferences	559	-	-	559	1,622
Travel	3,287	-	-	3,287	439
Utilities	15,114	-	-	15,114	17,108
	<u>\$ 467,523</u>	<u>\$ 74,307</u>	<u>\$ 100</u>	<u>\$ 541,930</u>	<u>\$ 518,932</u>

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Comparative Statement of Cash Flows  
Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Change in net assets	\$ 55,037	\$ 60,679
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	50,877	48,687
Loss on Disposition of asset	8,316	-
Decrease in due from other agencies	16,136	2,742
Decrease in other receivables	4,152	22
(Increase) decrease in prepaid expenses	18	539
Increase (decrease) in accounts payable	(5)	(6,197)
Increase in accrued liabilities	<u>4,643</u>	<u>3,223</u>
Net cash provided by operating activities	<u>139,174</u>	<u>109,695</u>
Cash flows from investing activities		
Purchases of certificates of deposit	(236,649)	(232,051)
Proceeds from maturities of certificates of deposit	232,050	227,464
Purchase of equipment and furnishings	(3,121)	(21,369)
Purchase of computer equipment	(2,453)	-
Facility improvements and renovations	<u>(7,410)</u>	<u>(35,409)</u>
Net cash used by investing activities	<u>(17,583)</u>	<u>(61,365)</u>
Net increase in cash	121,591	48,330
Cash at beginning of year	<u>161,921</u>	<u>113,591</u>
Cash at end of year	<u>\$ 283,512</u>	<u>\$ 161,921</u>

**INTERNAL CONTROL, COMPLIANCE AND OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

## OFFICES

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Brad E. Kolder, CPA, JD\*  
Stephen J. Anderson, CPA\*  
Penny Angelle Scruggins, CPA  
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Wanda F. Arcement, CPA, CVA  
Bryan K. Joubert, CPA  
Matthew E. Margaglio, CPA

Casey L. Ardoin, CPA  
Alan M. Taylor, CPA  
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®\*  
James R. Roy, CPA  
Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr., CPA  
Jane R. Hebert, CPA  
Deidre L. Stock, CPA  
Karen V. Fontenot, CPA  
Tabby A. LeMay, CPA  
Shayne M. Breaux, CPA

\* A Professional Accounting Corporation

183 South Beadle Rd  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

450 East Main Street  
New Iberna, LA 70560  
Phone (337) 367-9204  
Fax (337) 367-9208

113 East Bndge St  
Breux Bndge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

1234 David Dr Ste 203  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

1013 Main Street  
Franklin, LA 70538  
Phone (337) 828-0272  
Fax (337) 828-0290

434 East Main Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

133 East Waddil St  
Marksville LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

332 West Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

1428 Metro Dnve  
Alexandna, LA 71301  
Phone (318) 442-4421  
Fax (318) 442-9833

WEB SITE  
[WWW.KCSRCPAS.COM](http://WWW.KCSRCPAS.COM)

Retired  
Conrad O. Chapman, CPA\* 2006

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

To the Board of Directors  
St. Bernard Battered Women's Program, Inc.  
Chalmette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the St. Bernard Battered Women's Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 27, 2017.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the St. Bernard Battered Women's Program, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Bernard Battered Women's Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the St. Bernard Battered Women's Program, Inc.'s internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the St. Bernard Battered Women's Program, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Bernard Battered Women's Program, Inc.'s internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the St. Bernard Battered Women's Program, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
December 27, 2017

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Schedule of Audit Results  
Year Ended June 30, 2017

Part I: Summary of Auditor's Results

An unmodified opinion has been issued on the financial statements of the St. Bernard Battered Women's Program, Inc. as of and for the year ended June 30, 2017.

No deficiencies considered to be material weaknesses in internal control were reported during the audit of the financial statements.

No material instances of noncompliance were reported during the audit of the financial statements.

Part II: Findings Related to an Audit in Accordance with *Government Auditing Standards*

No findings were disclosed during the audit of the financial statements that were required to be reported under *Government Auditing Standards*.

Part III: Findings and Questioned Costs Relating to Federal Programs

At June 30, 2017, the St. Bernard Battered Women's Program, Inc. did not meet the requirements to have a single audit in accordance with Uniform Guidance. Therefore this section is not applicable.

ST. BERNARD BATTERED WOMEN'S PROGRAM, INC.

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2017

**Internal Control and Compliance Material to the Financial Statements**

No findings were disclosed in the audit of the financial statements for the year ended June 30, 2017. Therefore, this schedule is not applicable.

**ST. BERNARD BATTERED  
WOMEN'S PROGRAM, INC.**

Statewide Agreed-Upon Procedures Report

Fiscal period July 1, 2016 through June 30, 2017

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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\* A Professional Accounting Corporation

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

To the Board of Directors  
St. Bernard Battered Women's Program, Inc.  
Chalmette, Louisiana

We have performed the procedures enumerated below, which were agreed to by the St. Bernard Battered Women's Program (hereinafter "SBBWP") and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The SBBWP's management is responsible for those control and compliance areas identified in the SAUPs.

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

The procedures and associated exceptions are as follows:

### *Written Policies and Procedures*

1. Obtain the SBBWP's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the SBBWP does not have any written policies and procedures), as applicable:

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

*Written policies and procedures were obtained and address the functions noted above.*

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.

*Written policies and procedures were obtained and address the functions noted above except for ensuring compliance with the public bid law which is not applicable to SBBWP.*

- c) **Disbursements**, including processing, reviewing, and approving

*Written policies and procedures were obtained and address the functions noted above.*

- d) **Receipts**, including receiving, recording, and preparing deposits

*Written policies and procedures were obtained and address the functions noted above.*

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

*Written policies and procedures were obtained and address the functions noted above.*

- 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

*Written policies and procedures were obtained; however, they do not address the following: (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, 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

*Written policies and procedures were obtained; however, they do not address (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

*Written policies and procedures were obtained; however, they do not address the following: (1) allowable expenses and (2) dollar thresholds by category of expense.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the SBBWP's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

*SBBWP is a nonprofit entity; therefore, written policies and procedures on ethics are not necessary.*

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*Written policies and procedures for debt service could not be obtained; however, the SBBWP does not have any outstanding debt.*

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

---

2. Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

*Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met in accordance with the by-laws of the SBBWP.*

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the SBBWP's prior audit (GAAP-basis).

*Minutes made no reference to monthly budget-to-actual comparisons.*

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

*Minutes made no reference to monthly budget-to-actual comparisons; therefore, we are unable to test this item.*

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

*For at least one meeting during the fiscal period, the minutes referenced non-budgetary financial information.*

***Bank Reconciliations***

---

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

*Obtained listing of client bank accounts from management and management's representation that listing is complete.*

4. Using the listing provided by management, select all of the SBBWP's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether

- a) Bank reconciliations have been prepared;

*Obtained bank statements and reconciliations for all months in the fiscal period noting that reconciliations have been prepared for all months.*

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

*Obtained bank statements and reconciliations for all months in the fiscal period. There was no evidence of management review.*

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

*There was no documented evidence of researching reconciling items that have been outstanding for more than six (6) months as of the end of the fiscal period.*

### ***Collections***

---

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

*Obtained listing of cash collection locations and management's representation that the listing is complete.*

6. Using the listing provided by management, select all of the SBBWP's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

*Obtained written documentation and noted the following regarding the individual responsible for collecting cash:*

- *Not bonded*
- *Not responsible for depositing the cash in the bank*
- *Not responsible for recording the transaction or reconciling to the bank account*

*There are no cash registers, nor are there any sharing of cash drawers.*

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

*SBBWP has a no formal reconciliation process. The informal process of reconciling cash collections to the general ledger is not performed by the individual having responsibility for cash collections.*

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

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

*Three (3) deposits were tested and there was one (1) instance of deposits not being made within one (1) day of collection as follows:*

<u>Collection Location</u>	<u>Date</u>		<u>Days from</u>
	<u>Collection</u>	<u>Deposit</u>	<u>Collection</u>
			<u>to Deposit</u>
SBBWP Shelter	7/22/2016	7/28/2016	6

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

*Collection documentation was obtained. There were no exceptions.*

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the SBBWP has a process specifically defined (identified as such by the SBBWP) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

*SBBWP has no written process to determine the completeness of all collections for each revenue source.*

**Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)**

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

*Obtained listing of disbursements from management and management’s representation that the listing is complete.*

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

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

*Examined supporting documentation for each of the twenty-five (25) disbursements selected for testing and found that the purchases were not initiated using a purchase requisition/order system. SBBWP does not utilize a purchase requisition/order system.*

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

*SBBWP does not utilize a purchase requisition/order system.*

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

*Examined supporting documentation for each of the twenty-five (25) disbursements selected for testing, noting that purchases did not include an approved requisition and/or purchase order. All payments test were processed having a receiving report or equivalent document and an approved invoice, as necessary.*

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

*SBBWP has no written documentation prohibiting the individual responsible for processing payments from adding vendors to the purchasing/disbursement system.*

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

*Written policies and/or procedures provide that individuals with signatory authority may also initiate and/or record purchases except for purchases over \$1,000 which must also be signed/approved by a member of the board.*

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

*The supply of unused checks is in a locked location and persons not having signatory authority have no access to those checks.*

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

*Note applicable – signature stamp or signature machine is not used.*

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

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

*Obtained listing of active credit cards and bank debit cards and name of the individuals maintaining possession of the cards from management and management's representation that the listing is complete.*

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

*SBBWP maintains two (2) credits cards. Both cards were selected for testing.*

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

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

*Monthly statements were obtained. Due to the size of the entity, the person who approves the statements, executive director, may also be an authorized card holder.*

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

*No finance charges and/or late fees were observed on the statements.*

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

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

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

*Each transaction appearing on the statement was supported by an original itemized receipt.*

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

*Each transaction appearing on the statement was supported by documentation of the business/public purpose.*

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

*All transactions complied with the entities written policies.*

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

*Each transaction appearing on the statement was documented in accordance with SBBWP policy.*

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

*Nature of the credit card transactions were not obscured and all transactions tested appear compliant with Article VII, Section 14 of the Louisiana Constitution.*

### ***Travel and Expense Reimbursement***

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

*Obtained listing of travel and expense reimbursements during the fiscal period, by person, and management's representation that the listing is complete.*

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

*Obtained SBBWP's written policies related to travel and expense reimbursements. Per diem and reimbursement rates included in the written policies do not exceed GSA rates.*

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

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

*Expenses included on reimbursement reports were reimbursed in accordance with SBBWP's written policies.*

- b) Report whether each expense is supported by:

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

*Each expense appearing on the report was supported by an original itemized receipt precisely identifying the purchase.*

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

*Each expense appearing on the report was supported by documentation of the business/public purpose.*

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

*Each expense appearing on the report was documented in accordance with SBBWP policy.*

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

*Nature of the expenses reimbursed and related supporting documentation were not obscured and all reimbursements tested appear compliant with Article VII, Section 14 of the Louisiana Constitution.*

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

*Reimbursement requests and related documentation evidenced review and approval, in writing, by someone other than the individual receiving the reimbursement except for one check disbursed to the executive director, whom approves reimbursements. This check, however, was signed/approved by a member of the board.*

## ***Contracts***

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

*Obtained listing of all contracts in effect during the fiscal period and management's representation that the listing is complete.*

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

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

*Two (2) of the five (5) contracts selected do not have formal contracts as a verbal agreement was made. The remaining three (3) contracts with vendors were supported by a written agreement describing the services to be provided and the fees to be charged.*

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

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

*Not applicable.*

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

*SBBWP did not solicit quotes for three (3) of the five (5) contracts. The three (3) contracts in which quotes were not solicited were for professional services and/or utility service contracts.*

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

*There were no amendments to contracts.*

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

*Obtained supporting invoices and/or progress payment request for the largest payment of the five (5) contracts selected for testing and compared to the contract terms. Invoices and related payments appear compliant with the terms and conditions of the contract.*

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

*Not applicable – SBBWP’s policy does not require approval from the board. Contract approval is the responsibility of the executive director.*

### ***Payroll and Personnel***

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

*Obtained a listing of employees from management and management’s representation that the listing is complete.*

Randomly select five employees/officials, obtain their personnel file, and:

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

*Compensation paid to the individuals tested were made in accordance with SBBWP’s adopted pay rates and/or contracts for employment without exception.*

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

*SBBWP does not have a formal policy on changes to hourly pay rates/salaries.*

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

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

*Daily attendance and leave records are maintained by SBBWP’s bookkeeper in a designated file.*

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

*Daily attendance and leave records approved in writing by executive director.*

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

*Leave records for SBBWP’s personnel are maintained in writing.*

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

*Not applicable – no termination payments were processed during the fiscal year.*

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

*There were no exceptions regarding the deposit and/or payment of the employer and employee portions of payroll taxes, nor the filing of related reporting forms, to the appropriate agencies by the required deadlines. SBBWP does not offer a retirement plan.*

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

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

*Not applicable – SBBWP is a nonprofit entity.*

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

*Not applicable.*

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

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

*Not applicable – SBBWP is a nonprofit entity.*

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

*Not applicable.*

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

*Not applicable.*

***Other***

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

*Management asserted that there were no misappropriations of public funds or assets during the fiscal period.*

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

*Notice required by RS 24:523.1 was posted on SBBWP's premises but was not posted on their website.*

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

*No exceptions to management's representations.*

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

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance and is solely for use by the SBBWP's management and the LLA. Accordingly, this report is not suitable for any other purpose and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

***Kolder, Champagne, Slaven & Company, LLC***

Certified Public Accountants

Morgan City, Louisiana

December 27, 2017