

**TRAVELER'S AID SOCIETY
OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
FINANCIAL REPORT AND
SUPPLEMENTARY INFORMATION**

JUNE 30, 2024 AND 2023

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
TABLE OF CONTENTS
JUNE 30, 2024 AND 2023

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-3
FINANCIAL STATEMENTS	
Statements of Financial Position	4
Statements of Activities	5-6
Statements of Functional Expenses	7-8
Statements of Cash Flows	9
Notes to Financial Statements	10-21
SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and Other Payments to the Executive Director	22
United Way Revenue and Expenses by Function	23
Statement of Revenues and Expenses by City of New Orleans Contract	24
SPECIAL REPORTS OF INDEPENDENT AUDITORS	
Independent Auditors' Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25-26
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	27-29
Schedule of Expenditures of Federal Awards	30
Notes to Schedule of Expenditures of Federal Awards	31
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	32-33
REPORTS BY MANAGEMENT	
Summary of Prior Year's Audit Findings	34
STATEWIDE AGREED-UPON PROCEDURES	
Independent Accountants' Report on Applying Agreed-Upon Procedures	35-46



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Travelers Aid Society of New Orleans, Inc.
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Travelers Aid Society of New Orleans, Inc. (a non-profit Organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Travelers Aid Society of New Orleans, Inc., as of June 30, 2024 and 2023, and the changes in its net assets, functional expenses, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Travelers Aid Society of New Orleans, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Travelers Aid Society of New Orleans, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Travelers Aid Society of New Orleans, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Travelers Aid Society of New Orleans, Inc., ability to continue as a going concern for a reasonable time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits, and Other Payments to the Executive Director, United Way Revenue and Expenses by Function and Statement of Revenues and Expenses by Function on pages 21-23 and the Schedule of Expenditures of Federal Awards on page 29, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024, on our consideration of Travelers Aid Society of New Orleans, 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 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 Travelers Aid Society of New Orleans, Inc.'s internal control over financial reporting and compliance.



Metairie, Louisiana
December 27, 2024

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

ASSETS	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	\$ 111,945	\$ 271,741
Accounts receivables	633,493	308,403
Unconditional promises to give	284,965	52,965
Prepaid expenses	6,151	75,825
Investments	356,403	330,513
Inventory	3,995	3,995
Total current assets	<u>\$ 1,396,952</u>	<u>\$ 1,043,442</u>
 PROPERTY AND EQUIPMENT	 \$ 93,408	 \$ 38,013
Less: accumulated depreciation	(38,987)	(26,106)
Total property and equipment	<u>\$ 54,421</u>	<u>\$ 11,907</u>
 OTHER ASSETS		
Unconditional promises to give, less unamortized discount	\$ 142,500	\$ -
Operating lease right-of-use asset	285,854	-
Deposit	4,235	-
Total other assets	<u>\$ 432,589</u>	<u>\$ -</u>
 Total Assets	 <u><u>\$ 1,883,962</u></u>	 <u><u>\$ 1,055,349</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 306,617	\$ 15,775
Accrued liabilities	190,397	84,820
Due to board member	12,300	-
Line of credit	232,583	64,626
Lease liability, current portion	86,300	-
Total current liabilities	<u>\$ 828,197</u>	<u>\$ 165,221</u>
 LONG-TERM LIABILITIES		
Lease liability	\$ 199,554	\$ -
Total long-term liabilities	<u>\$ 199,554</u>	<u>\$ -</u>
 NET ASSETS		
Without donor restrictions		
Undesignated	\$ 428,746	\$ 837,163
Designated	-	-
With donor restrictions	427,465	52,965
Total net assets	<u>\$ 856,211</u>	<u>\$ 890,128</u>
 Total Liabilities and Net Assets	 <u><u>\$ 1,883,962</u></u>	 <u><u>\$ 1,055,349</u></u>

See Notes to the Financial Statements.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND SUPPORT			
Grants	\$ 3,318,311	\$ 374,500	\$ 3,692,811
Noncash contributions	293,842	-	293,842
United Way	11	52,965	52,976
Occupancy fee payments	56,969	-	56,969
Contributions	102,642	-	102,642
Investment income	39,331	-	39,331
Miscellaneous	7,208	-	7,208
Net assets released from restrictions-			
Expiration of time restriction	52,965	(52,965)	-
Total revenues, gains and support	<u>\$ 3,871,279</u>	<u>\$ 374,500</u>	<u>\$ 4,245,779</u>
 EXPENSES			
Program service			
Crisis intervention	\$ 3,739,528	\$ -	\$ 3,739,528
Supporting service			
Management and general	<u>540,168</u>	<u>-</u>	<u>540,168</u>
Total expenses	<u>\$ 4,279,696</u>	<u>\$ -</u>	<u>\$ 4,279,696</u>
Change in net assets	<u>\$ (408,417)</u>	<u>\$ 374,500</u>	<u>\$ (33,917)</u>
Net assets at beginning of year	<u>837,163</u>	<u>52,965</u>	<u>890,128</u>
Net assets at end of year	<u><u>\$ 428,746</u></u>	<u><u>\$ 427,465</u></u>	<u><u>\$ 856,211</u></u>

See Notes to Financial Statements.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND SUPPORT			
Grants	\$ 2,039,612	\$ -	\$ 2,039,612
Noncash contributions	302,885	-	302,885
United Way	37,055	52,965	90,020
Occupancy fee payments	68,329	-	68,329
Contributions	22,209	-	22,209
Investment income	27,633	-	27,633
Net assets released from restrictions-			
Expiration of time restriction	125,203	(125,203)	-
Total revenues, gains and support	<u>\$ 2,622,926</u>	<u>\$ (72,238)</u>	<u>\$ 2,550,688</u>
EXPENSES			
Program service			
Crisis intervention	\$ 2,490,292	\$ -	\$ 2,490,292
Supporting service			
Management and general	<u>304,852</u>	<u>-</u>	<u>304,852</u>
Total expenses	<u>\$ 2,795,144</u>	<u>\$ -</u>	<u>\$ 2,795,144</u>
Change in net assets	<u>\$ (172,218)</u>	<u>\$ (72,238)</u>	<u>\$ (244,456)</u>
Net assets at beginning of year	<u>1,009,381</u>	<u>125,203</u>	<u>1,134,584</u>
Net assets at end of year	<u><u>\$ 837,163</u></u>	<u><u>\$ 52,965</u></u>	<u><u>\$ 890,128</u></u>

See Notes to Financial Statements.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	<u>Program Service</u>	<u>Supporting Service</u>	
	<u>Crisis Intervention</u>	<u>Management and General</u>	<u>Total</u>
Salaries and related expenses:			
Salaries	\$ 1,534,769	\$ 189,652	\$ 1,724,421
Employee benefits & taxes	397,623	47,957	445,580
	<u>\$ 1,932,392</u>	<u>\$ 237,609</u>	<u>\$ 2,170,001</u>
Advertising	\$ -	\$ 4,689	\$ 4,689
Client expenses	1,416,967	-	1,416,967
Depreciation expense	11,593	1,288	12,881
Dues and fees	3,780	25,526	29,306
Insurance	35,434	3,937	39,371
Interest	-	18,964	18,964
Meetings	-	14,623	14,623
Miscellaneous	-	6,702	6,702
Occupancy	231,093	98,183	329,276
Postage	-	435	435
Printing	4,905	544	5,449
Professional development	253	1,156	1,409
Professional fees	19,551	89,174	108,725
Software and website	32,931	19,410	52,341
Supplies	1,034	15,854	16,888
Telephone	18,667	2,074	20,741
Travel	30,928	-	30,928
	<u>\$ 1,807,136</u>	<u>\$ 302,559</u>	<u>\$ 2,109,695</u>
Total Expenses	<u>\$ 3,739,528</u>	<u>\$ 540,168</u>	<u>\$ 4,279,696</u>

See Notes to the Financial Statements.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	<u>Program Service</u>	<u>Supporting Service</u>	
	<u>Crisis Intervention</u>	<u>Management and General</u>	<u>Total</u>
Salaries and related expenses:			
Salaries	\$ 822,193	\$ 95,826	\$ 918,019
Employee benefits & taxes	188,694	23,322	212,016
	<u>\$ 1,010,887</u>	<u>\$ 119,148</u>	<u>\$ 1,130,035</u>
Advertising	\$ -	\$ 655	\$ 655
Client expenses	1,176,433	-	1,176,433
Depreciation expense	5,495	-	5,495
Dues and fees	2,629	17,751	20,380
Insurance	28,228	3,137	31,365
Meetings	-	8,489	8,489
Miscellaneous	7,542	1,574	9,116
Occupancy	184,701	78,717	263,418
Postage	-	502	502
Printing	3,187	354	3,541
Professional development	-	2,042	2,042
Professional fees	28,832	52,777	81,609
Software and website	15,596	9,192	24,788
Supplies	565	8,661	9,226
Telephone	11,447	1,271	12,718
Travel	14,750	582	15,332
	<u>\$ 1,479,405</u>	<u>\$ 185,704</u>	<u>\$ 1,665,109</u>
Total Expenses	<u>\$ 2,490,292</u>	<u>\$ 304,852</u>	<u>\$ 2,795,144</u>

See Notes to the Financial Statements.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (33,917)	\$ (244,456)
Amortization	33,200	-
Depreciation expense	12,881	5,495
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gain) loss on investments	(37,891)	(19,686)
(Increase) decrease in accounts receivables	(325,090)	20,276
(Increase) decrease in unconditional promises to give	(374,499)	38,130
(Increase) decrease in prepaid expenses	69,674	(7,611)
(Increase) decrease in inventory	-	-
(Increase) decrease in deposit	(4,235)	-
Increase (decrease) in accounts payable and accrued liabilities	396,419	38,547
Increase (decrease) in due to board members	12,300	-
Increase (decrease) in deferred revenue	-	(84,468)
Net cash provided by (used in) operating activities	<u>\$ (251,158)</u>	<u>\$ (253,773)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	\$ 12,000	\$ 200,000
Purchases of investments	-	(7,947)
Purchases of property and equipment	(55,395)	-
Net cash provided by (used in) investment activities	<u>\$ (43,395)</u>	<u>\$ 192,053</u>
CASH FLOWS FROM FINANCING		
Proceeds from line of credit	\$ 174,274	\$ 85,000
Repayments of line of credit	(6,317)	(20,374)
Payments on lease payable	(33,200)	-
Net cash provided by (used in) financing activities	<u>\$ 134,757</u>	<u>\$ 64,626</u>
 Net change in cash and cash equivalents	 \$ (159,796)	 \$ 2,906
Cash and cash equivalents, beginning of year	<u>271,741</u>	<u>268,835</u>
Cash and cash equivalents, end of year	<u><u>\$ 111,945</u></u>	<u><u>\$ 271,741</u></u>
 SUPPLEMENTAL DISCLOSURES		
Interest Paid	<u>\$ 18,964</u>	<u>\$ 1,016</u>
 Financing Transactions		
Recognition of operating lease right-of-use asset	<u>\$ 319,054</u>	<u>\$ -</u>
Operating lease liability arising from right-of-use asset	<u><u>\$ 319,054</u></u>	<u><u>\$ -</u></u>

See Notes to Financial Statements

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Travelers Aid Society of New Orleans, Inc. (the "Organization") is a non-profit organization that was established with the mission to work to end homelessness so that the vision of "A New Orleans where everyone has a safe place to call home" can be realized.

The Organization has more than one hundred years of experience providing for individuals and families who need shelter and support services. To assist those in need, the Organization has successfully provided a comprehensive array of services. The Organization is committed to implementing evidence-based best practices that are essential for comprehensive, integrated services that are effective in reducing homelessness. The crisis of homelessness in New Orleans creates many problems for those who experience it: poor health, exposure to violence and the elements, exclusion from social and economic opportunities, unhygienic conditions, and, for some, comes with the added complexities of living with mental health conditions, substance use disorders, and other diagnoses. These factors create grave consequences – the average life expectancy for individuals living outside is two decades younger than their housed peers. In 2024, the Organization provided nearly 13,178 services to more than 1,800 clients.

The Organization's Crisis Intervention Program offers the following services:

Crisis Intervention Counseling offers immediate emergency aid and crisis counseling on a walk-in basis. Assistance is offered with extensive case management services, focused on long-term needs for transitional or permanent housing, food stamps, Medicaid/Medicare, employment, rental assistance, and added resources that promote stability and independence.

Coordinated Entry identifies individuals in need of housing and other services. The service includes "Problem Solving" Triage and conducts a VI-SPDAT assessment of homeless clients. Housing navigators assess and prioritize chronically homeless individuals and assist those individuals with gathering documentation needed for the referral of permanent housing. Clients are assisted in obtaining permanent housing, with outcomes that may include family reunification, affordable housing resources, senior housing, and rental assistance programs.

Outreach delivers reliable neighborhood-based street outreach services to unhoused individuals by using a model that integrates outreach social workers and case managers into a neighborhood's public safety fabric. These outreach workers each walk consistent "beats" within a coordinated network, proactively engaging, triaging needs of, and directly case managing unhoused individuals wherever they are. This removes the need for individuals who face life-shortening stressors to find, travel to, and comply with traditional, office-based services for benefits and housing. The model, used nationally, both helps to meet the needs of individuals experiencing homelessness and broadens the diversity of public safety personnel responding to the needs of these individuals to include those professionals who can address these individuals' root housing and other needs, thus resolving, not just responding to, their crises.

Permanent Supportive Housing provides stable, subsidized housing for qualifying individuals. Operating on "Housing First", the program helps support, long-term self-reliance and stability with intensive case management, counseling, substance abuse treatment, and job training to offer a long-term comprehensive solution to the problem of homelessness.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other assets and liabilities.

Financial Statement Presentation

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors. The revenues received in conducting the mission of the Organization is included in the category.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated these funds be maintained in perpetuity.

The Organization received \$427,465 and \$52,965 in contributions with donor-imposed restrictions that resulted in donor restricted net assets for the years ended June 30, 2024 and 2023, respectively.

Use of Estimates

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

Income Taxes

The Organization is a nonprofit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to financial statements. The Organization's Federal Exempt Information Returns (Form 990) for 2022, 2023 and 2024 are subject to examination by the IRS, generally for three years after they were filed.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

The receivables are stated at the amount management expects to collect from outstanding balances. The financial statements do not include an estimate for allowance for credit losses. Management believes that all receivables are collectible.

Cash and Cash Equivalents

For the purpose of statements of cash flows, the Organization considers all highly liquid investments available for current use and no restrictions with a maturity of three months or less to be cash and cash equivalents.

The Organization maintains cash balances at an institution located in Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At June 30, 2024 and 2023, \$0 and \$11,023 of cash was in excess of the FDIC insured limits, respectively.

Unconditional Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. The Organization considers grant receivables to be fully collectible since the balance consists principally of payments due under contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

Depreciation

Property and equipment are carried at cost. Depreciation is calculated using the straight-line method. It is the policy of the corporation to capitalize all property, furniture and equipment with an acquisition cost in excess of \$5,000.

When assets are retired or disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant renewals and betterments are capitalized. Donated property is capitalized at fair value.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expense for the years ended June 30, 2024 and 2023 was \$4,689 and \$655, respectively.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Vacation and Leave Benefits

Employee vacation and leave benefits are accrued and expensed in the period earned by the employee.

Allocated Costs

The expenses of providing programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Some of those expenses have been allocated among the program and supporting services benefited based on allocation methods formulated by management of the costs involved.

Noncash Contributions and Contributed Services

Noncash contributions are reflected as contributions at their fair value at date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

Some grant agreements require that the Organization provide matching funds in the form of cash, noncash contributions, or a combination of cash and noncash contributions. A cash match represents cash contributed by the Organization or expenditures paid by the Organization from funds from sources other than the grants. Noncash match grant requirements primarily consisted of rental space and intern services usable by the Organization. Noncash contributions are recorded in the financial statements and an equal amount is recorded as noncash expense. Total noncash contributions for the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Salaries	\$ 7,088	\$ 7,082
Professional services	25,040	27,215
Rent	169,701	169,701
Security	28,970	34,674
Janitorial	35,123	35,123
Utilities	23,920	23,920
Client expenses	4,000	5,170
Total	<u>\$ 293,842</u>	<u>\$ 302,885</u>

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment's income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Concentrations

The Organization's primary support is grants received from federal, state, and local agencies, which make up \$3,692,811 and \$2,039,612 or 87% and 80% of total revenue for the years ended June 30, 2024 and 2023, respectively. If significant budget cuts are made at the federal and/or state level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations.

As of December 27, 2024, management was not aware of any actions taken that would adversely affect the amount of Federal or State funds the Organization will receive in the upcoming fiscal year.

Revenue Recognition

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Program revenues earned under reimbursement type contracts are recorded as revenues in the appropriate program when the related expenses are incurred.

Leases

The Organization has a noncancelable operating lease, beginning November 1, 2023. Since the contract provides the Organization with the right to substantially all of the economic benefits and the right to direct the use of the identified asset, it is considered to be or contains a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. ROU assets are also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred. There were no adjustments for 2023. The Organization has elected the option to use its implicit borrowing rate of 7.00%. Right-of-use assets and liabilities as of June 30, 2024, are presented as separate line items on the Organization's Statement of Financial Position.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)

Lease liabilities are initially and subsequently recognized based on the present value of their future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred. There were no variable lease payments in 2024 due to changes in index rates.

ROU assets for operating leases are subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid lease payments, less the unamortized balance of lease incentives received; and any impairment recognized.

Inventories

Inventories are stated at the lower of cost or net realizable value. The first-in, first-out method determines the cost. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs. Inventories consist of supplies on hand that are available to distribute to clients that are in need.

Implementation of New Accounting Standards

The FASB issued Accounting Standards Update Number 2016-02 affecting ASC 842, *Leases*, which provides guidance for any organization that enters a lease (as defined in this Update), with some specified scope exemptions. The guidance in this Update supersedes ASC 840 *Leases*. The primary objective of this update is to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities in the statement of financial position and disclosing key information about leasing arrangements.

The Organization has adopted the Current Expected Credit Losses (CECL) accounting standard, as per Accounting Standards Update (ASU) No. 2016-13, "Financial Instruments – Credit Losses (Topic 326)." The standard introduces a new model for estimating credit losses on financial instruments. After a thorough evaluation, management has determined that the impact of adopting the CECL standard on the financial statements is immaterial. The Organization has considered factors such as historical loss experience, current economic conditions, and other relevant factors in its credit loss estimation process. As a result, the adoption of the CECL standard has not had a material impact on the Organization's financial position, results of operations, or cash flows.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2. UNCONDITIONAL PROMISE TO GIVE

At June 30, 2024 and 2023 the unconditional promises to give consisted of:

	2024	2023
Contribution Sources	\$ 434,965	\$ 52,965
Less unamortized discount	(7,500)	-
Total unconditional promises to give, net	<u>\$ 427,465</u>	<u>\$ 52,965</u>
Current portion	\$ 284,965	\$ 52,965
Long-term	142,500	-
Total	<u>\$ 427,465</u>	<u>\$ 52,965</u>

Future maturities of unconditional promises to give are as follows:

2025	\$ 284,965
2026	75,000
2027	75,000
Discount	(7,500)
Total	<u>\$ 427,465</u>

NOTE 3. INVESTMENTS

Investments at June 30, 2024 and 2023 consist of the following:

Mutual Funds-Vanguard:	2024	2023
LifeStrategy Conservative Growth Fund Investor Funds	\$ 108,056	\$ 99,874
Short-Term Investment-Grade Fund Admiral Shares	136,167	128,535
Total Stock Market Index Fund Admiral Shares	112,180	102,104
Total investments	<u>\$ 356,403</u>	<u>\$ 330,513</u>

A summary of the return on investments consisted of the following for the years ended June 30, 2024 and 2023:

	2024	2023
Interest and dividends	\$ 1,440	\$ 7,947
Unrealized gain	37,891	19,686
Total appreciation	<u>\$ 39,331</u>	<u>\$ 27,633</u>

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4. PROPERTY

Property and equipment consisted of the following for the year ended June 30th:

	2024	2023
Vehicles	\$ 67,177	\$ 27,477
Furniture and equipment	26,231	10,536
	\$ 93,408	\$ 38,013
Less: accumulated depreciation	(38,987)	(26,106)
Total property and equipment	<u>\$ 54,421</u>	<u>\$ 11,907</u>

Depreciation expenses were \$12,881 and \$5,495 for the years ended June 30, 2024 and 2023, respectively.

NOTE 5. FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 5. FAIR VALUE MEASUREMENTS (Continued)

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023:

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the U.S. Security Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The following tables set forth by level, within the fair value hierarchy, the Organization's investment assets at fair value for the years ended June 30, 2024 and 2023:

	Total Assets Measured At Fair Value	Based On		
		Quoted Prices	Other	Unobservable
		In Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Recurring fair value measurements at June 30, 2024:				
Mutual Funds	\$ 356,403	\$ 356,403	\$ -	\$ -
Total	\$ 356,403	\$ 356,403	\$ -	\$ -

	Total Assets Measured At Fair Value	Based On		
		Quoted Prices	Other	Unobservable
		In Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Recurring fair value measurements at June 30, 2023:				
Mutual Funds	\$ 330,513	\$ 330,513	\$ -	\$ -
Total	\$ 330,513	\$ 330,513	\$ -	\$ -

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2024 and 2023.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 6. GRANTS RECEIVABLE

Grants receivable at June 30, 2024 and 2023 consisted of the following:

	2024	2023
Unity of Greater New Orleans	\$ 240,174	\$ 183,782
City of New Orleans	327,382	73,734
Downtown Development District	27,207	19,721
United Way	4,414	17,964
State of Louisiana	34,316	-
Baptist Community Ministries	-	13,202
Total	<u>\$ 633,493</u>	<u>\$ 308,403</u>

NOTE 7. LINE OF CREDIT

The Organization has a \$233,000 line of credit which matures September 27, 2024. Amounts borrowed under this agreement bear interest at the bank's prime rate minus 1%. The interest rate at June 30, 2024 was 9.85%. At June 30, 2024 and 2023, \$232,583 and \$64,626 was outstanding on this line, respectively. The line is secured by the investments held in accounts at the same financial institution. Interest expenses totaled \$13,764 and \$1,016 for the years ended June 30, 2024 and 2023, respectively.

NOTE 8. ACCRUED EXPENSES

Accrued expenses at June 30, 2024 and 2023 consisted of the following:

	2024	2023
Accrued retirement contribution	\$ 2,785	\$ 1,529
Accrued vested leave	100,334	38,946
Accrued salaries and taxes	87,278	44,345
Total accrued expenses	<u>\$ 190,397</u>	<u>\$ 84,820</u>

The Organization accrues vacation and leave at various rates and number of days for long term employees.

NOTE 9. LEASING ACTIVITIES

The Organization receives rent-free office space at the VA Hospital building owned by the City of New Orleans. The estimated value of the contributed rents and related expenses are recognized as revenues and expenses on the Statement of Activities and the Statement of Functional Expenses. In-kind occupancy expenses for the years ended June 30, 2024 and 2023 was \$257,714 and \$263,418, respectively.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 9. LEASING ACTIVITIES (Continued)

The Organization entered into an operating lease for administrative and program staff with a term beginning October 6, 2023 and ending June 30, 2027 as reported under FASB ASC 842 is as follows:

Lease cost:	
Operating lease costs	<u>\$ 33,880</u>
Weighted-Average Information:	
Weighted-average remaining lease in years	3
Weighted-average discount rate	7%
Future minimum lease payments:	
Year ended June 30, 2024:	
2025	\$ 102,997
2026	106,068
2027	<u>107,184</u>
Total lease payments	\$ 316,249
Less imputed interest	<u>(30,395)</u>
Present value of lease liabilities	<u>\$ 285,854</u>

The Organization is also responsible for a pro rata share of other related building expenses.

NOTE 10. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2024 and 2023, there was \$427,465 and \$52,965 in net assets with donor restrictions:

	<u>2024</u>	<u>2023</u>
United Way	\$ 52,965	\$ 52,965
Grants restricted for future years	374,500	-
Total	<u>\$ 427,465</u>	<u>\$ 52,965</u>

NOTE 11. RETIREMENT PLAN

The Organization sponsors a defined contribution pension plan covering all employees who are twenty-one years or older who have worked for the Organization for over three years. The plan provides for contributions in such amounts as the Board of Directors may determine annually. The pension expenses for the years ended June 30, 2024 and 2023 was \$52,211 and \$36,582, respectively.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 12. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization had the following financial assets available at June 30, 2024 and 2023, within one year of the statement of financial position date for general expenditures:

	2024	2023
Cash and cash equivalents	\$ 111,945	\$ 271,741
Accounts receivables	633,493	308,403
Unconditional promises to give	284,965	52,965
Investments	356,403	330,513
Total	<u>\$ 1,386,806</u>	<u>\$ 963,622</u>

The Organization had \$1,386,806 and \$963,622 at June 30, 2024 and 2023 of financial assets available to meet cash needs for general expenditures as noted above. The Organization is substantially supported by grants, governmental contracts and contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As described in Note 9, the Organization also has a line of credit for \$233,000, which it could draw upon in the event of an unanticipated liquidity need.

NOTE 13. COMPENSATION

The Board of Directors serves the Organization without compensation.

NOTE 14. RELATED PARTY

The Organization was provided a non interest bearing loan from a board members' business in the amount of \$12,300.

NOTE 15. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 27, 2024, the date which the financial statements were available for use. Management's evaluation revealed no subsequent events that require adjustment to or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO THE EXECUTIVE DIRECTOR
YEAR ENDED JUNE 30, 2024

Agency Head Name: Donna Paramore, Executive Director

Purpose:	Total
Salary	\$ 154,154
Payroll taxes	11,630
Benefits-insurance	8,082
Benefits-retirement	7,708
Benefits-parking	1,620
Cell phone	428
Conference travel	1,134
	<u>\$ 184,756</u>

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
UNITED WAY REVENUE AND EXPENSES BY FUNCTION

YEAR ENDED JUNE 30, 2024

	<u>Program Service</u>	<u>Supporting Service</u>	
	<u>Crisis Intervention</u>	<u>Management and General</u>	<u>Total</u>
REVENUE:			
Grants	\$ 3,517,306	\$ 175,505	\$ 3,692,811
In-kind revenue	189,285	104,557	293,842
United Way grant	52,965	-	52,965
United Way-other grants	-	-	-
United Way-designations	-	11	11
Occupancy fee payments	56,969	-	56,969
Contributions	-	102,642	102,642
Investment income	-	39,331	39,331
Miscellaneous	-	7,208	7,208
Total revenue	<u>\$ 3,816,525</u>	<u>\$ 429,254</u>	<u>\$ 4,245,779</u>
EXPENSES:			
Salaries and related expenses:			
Salaries	\$ 1,534,769	\$ 189,652	\$ 1,724,421
Employee benefits & taxes	397,623	47,957	445,580
Total salaries and related expenses	<u>\$ 1,932,392</u>	<u>\$ 237,609</u>	<u>\$ 2,170,001</u>
Advertising	\$ -	\$ 4,689	\$ 4,689
Client expenses	1,416,967	-	1,416,967
Depreciation expense	11,593	1,288	12,881
Dues and fees	3,780	25,526	29,306
Insurance	35,434	3,937	39,371
Interest	-	18,964	18,964
Meetings	-	14,623	14,623
Miscellaneous	-	6,702	6,702
Occupancy	231,093	98,183	329,276
Postage	-	435	435
Printing	4,905	544	5,449
Professional development	253	1,156	1,409
Professional fees	19,551	89,174	108,725
Software and website	32,931	19,410	52,341
Supplies	1,034	15,854	16,888
Telephone	18,667	2,074	20,741
Travel	30,928	-	30,928
Total other expenses	<u>\$ 1,807,136</u>	<u>\$ 302,559</u>	<u>\$ 2,109,695</u>
Total expenses	<u>\$ 3,739,528</u>	<u>\$ 540,168</u>	<u>\$ 4,279,696</u>
Change in net assets	<u>\$ 76,997</u>	<u>\$ (110,914)</u>	<u>\$ (33,917)</u>
Allocation general and administrative	<u>\$ 540,168</u>		

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
REVENUE AND EXPENSES BY CITY OF NEW ORLEANS CONTRACT
(UNAUDITED)
YEAR ENDED JUNE 30, 2024

	Emergency Shelter Grant	French Quarter Economic Development District	Lead Project Management	Lead Case Management	Total
REVENUE:					
Grants	\$ 240,044	\$ 180,064	\$ 58,526	\$ 192,424	\$ 671,058
In-kind revenue	-	-	-	-	-
United Way grant	-	-	-	-	-
United Way-other grants	-	-	-	-	-
United Way-designations	-	-	-	-	-
Occupancy fee payments	-	-	-	-	-
Contributions	-	-	-	-	-
Investment income	-	-	-	-	-
Total revenue	<u>\$ 240,044</u>	<u>\$ 180,064</u>	<u>\$ 58,526</u>	<u>\$ 192,424</u>	<u>\$ 671,058</u>
EXPENSES:					
Salaries and related expenses					
Salaries	\$ 178,590	\$ 116,636	\$ 46,920	\$ 136,227	\$ 478,373
Employee benefits & taxes	32,166	39,310	10,862	36,239	118,577
	<u>\$ 210,756</u>	<u>\$ 155,946</u>	<u>\$ 57,782</u>	<u>\$ 172,466</u>	<u>\$ 596,950</u>
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -
Client expenses	8,348	22,446	-	2,669	33,463
Depreciation	-	-	-	-	-
Dues and fees	-	-	-	-	-
Insurance	6,500	-	-	-	6,500
Meeting	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Occupancy	4,522	605	242	15,902	21,271
Postage	-	-	-	-	-
Printing	-	12	-	-	12
Professional development	-	-	-	-	-
Professional fees	3,158	-	-	-	3,158
Software and website	5,562	60	-	-	5,622
Supplies	-	-	-	-	-
Telephone	1,198	500	50	484	2,232
Travel	-	495	452	903	1,850
	<u>\$ 29,288</u>	<u>\$ 24,118</u>	<u>\$ 744</u>	<u>\$ 19,958</u>	<u>\$ 74,108</u>
Total expenses	<u>\$ 240,044</u>	<u>\$ 180,064</u>	<u>\$ 58,526</u>	<u>\$ 192,424</u>	<u>\$ 671,058</u>
Change in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SPECIAL REPORTS OF INDEPENDENT AUDITORS



**INDEPENDENT AUDITORS' 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 of
Travelers Aid Society of New Orleans, Inc.
New Orleans, 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 Travelers Aid Society of New Orleans, Inc., (a nonprofit organization) (the "Organization"), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or 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 being material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

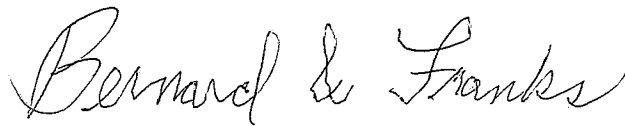
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the information of the Board of Directors, management, the State of Louisiana, the Legislative Auditor for the State of Louisiana, Federal Awarding Agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Bernard & Franks".

Metairie, Louisiana
December 27, 2024



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

To the Board of Directors of
Travelers Aid Society of New Orleans, Inc.
New Orleans, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of Travelers Aid Society of New Orleans, Inc., (a non-profit Organization) (the "Organization") with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bernard & Franks

Metairie, Louisiana
December 27, 2024

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.
(A NONPROFIT ORGANIZATION)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance listing number	Contract Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Continuum of Care Program:			
<i>Passed through Unity of Greater New Orleans, Inc.</i>			
The Journey Home	14.267	LA0280L6H032206	\$ 1,379,501
Coordinated Entry System Project	14.267	LA0277L6H032206	125,993
Traveler's Aid PSH	14.267	LA0260L6H032309	81,557
Expanding Street Outreach	14.267	LA0404H6H032200	52,189
PSH for People Experiencing Unsheltered Homelessness	14.267	LA0401H6H032200	229,601
Emergency Solutions Grant:			
<i>Passed through City of New Orleans</i>			
COVID-19 The Community Development Block Grant	14.231	CDBG-CV	70,401
COVID-19 Emergency Shelter Activities, "ESG-CV, Traveler's Aid"	14.231	ESG-CV	29,713
Emergency Shelter Activities, "ESG35, Traveler's Aid"	14.231	ESG-035B	20,125
Total U.S. Department of Housing and Urban Development			\$ 1,989,080
U.S. Department of the Treasury			
Louisiana Governor's Office of Homeland Security and Emergency Preparedness			
<i>Passed through Unity of Greater New Orleans, Inc.</i>			
COVID-19 Emergency Rental Assistance Program	21.023	ERAE0075	\$ 286,453
<i>Passed through City of New Orleans</i>			
COVID-19, Emergency Shelter Grant, "ARPA, Traveler's Aid"	21.027	ARPA-001(23)	190,206
Total U.S. Department of the Treasury			\$ 476,659
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,465,739

See Notes to Federal Expenditures of Federal Awards

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Traveler's Aid Society of New Orleans, Inc. under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Traveler's Aid Society of New Orleans, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Traveler's Aid Society of New Orleans, Inc.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-122, *Cost Principles for Non-profit Organizations* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate

The Organization did not elect to take the de minimis indirect cost rate allowed under the Uniform Guidance.

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors' Reports

Financial Statements

1. The independent auditors' report expresses an unmodified opinion on the financial statements of Traveler's Aid Society of New Orleans, Inc., which was prepared in accordance with generally accepted accounting principles and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.
2. No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements prepared in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Traveler's Aid Society of New Orleans, Inc., were disclosed in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.

Federal Awards

4. No significant deficiencies or material weaknesses relating to internal control over major federal award programs disclosed during the audit are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs Traveler's Aid Society of New Orleans, Inc., expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with the Uniform Guidance
7. No management letter was issued for the year ended June 30, 2024.
8. The program tested as major program was:

Assistance Listing No. 14.267
Assistance Listing No. 21.023
Assistance Listing No. 21.027

Continuum of Care Program
Emergency Rental Assistance
Emergency Solutions Grant

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors' Reports

Federal Awards

9. The threshold for distinguishing Types A and B programs was \$750,000.
10. Traveler's Aid Society of New Orleans, Inc., was not determined to be a low-risk auditee as defined by Uniform Guidance.

Section II- Financial Statement Findings

**Internal Control Over Financial Reporting And Compliance And Other Matters
Material To The Basic Financial Statements**

Internal Control Over Financial Reporting

No internal control over financial reporting findings was reported during the audit for the year ending June 30, 2024.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ending June 30, 2024.

Section III - Federal Award Findings And Questioned Costs

Internal Control/Compliance

No findings or questioned costs were reported during the audit of the financial statements for the year ended June 30, 2024, related to internal control and compliance material to federal awards.

REPORTS BY MANAGEMENT

TRAVELER'S AID SOCIETY OF NEW ORLEANS, INC.

**SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2024**

**Section I - Internal Control Over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements**

Internal Control Over Financial Reporting

No findings were noted during the year-end June 30, 2023 audit related to internal control over financial reporting material to the basic financial statements.

Compliance and Other Matters

There was no findings material to the financial statements noted during the year-end June 30, 2023 audit related to compliance and other matters.

Section II - Internal Control and Compliance Material to Federal Awards

Internal Control Over Financial Reporting

No internal control over financial reporting findings was reported during the audit for the year ending June 30, 2023.

Compliance and Other Matters

No compliance findings material to the financial statements were reported during the audit for the year ended June 30, 2023.

Section III - Management Letter

A management letter was not issued in connection with the audit of the financial statements for the year ending June 30, 2023.

STATEWIDE AGREED-UPON PROCEDURES



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING STATEWIDE AGREED-UPON PROCEDURES

To the Board of Directors of
Traveler's Aid Society of New Orleans, Inc.
New Orleans, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. Traveler's Aid Society of New Orleans, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

Traveler's Aid Society of New Orleans, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1.) Written Policies and Procedures

A. Obtain and inspect the Organization's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the Organization's operations:

- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Result: There were no exceptions noted.

- ii. ***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.

Result: There were no exceptions noted.

- iii. ***Disbursements***, including processing, reviewing, and approving.

Result: There were no exceptions noted.

- iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the

completeness of all collections for each type of revenue or agency fund additions (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).

Result: There were no exceptions noted.

- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Result: There were no exceptions noted.

- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Result: There were no exceptions noted.

- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Result: There were no exceptions noted.

- viii. ***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 of statements, and (5) monitoring card usage

Result: There were no exceptions noted.

- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the Organization's ethics policy.

Result: The Organization is a nonprofit organization; therefore, the ethics agreed-upon procedure does not apply.

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

Result: The Organization is a nonprofit organization; therefore, the debt service agreed-upon procedure does not apply.

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

Result: There were no exceptions noted.

- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

2.) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- i. Observe that the board/finance committee meets with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Results: There were no exceptions noted.

- ii. For those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the Organization's collections during the fiscal period.

Results: There were no exceptions noted.

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Results: The Organization is a nonprofit organization; therefore, this agreed-upon procedure does not apply.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: There were no exceptions noted.

3.) Bank Reconciliations

A. Obtain a listing of Organization bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the Organization's main operating account. Select the Organization'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 each selected account, and observe that:

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Result: There were no exceptions noted.

- ii. 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 within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

Result: There was no evidence that a member of management reviewed the bank reconciliation within 1 month of the date the reconciliation was prepared.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Result: There were no exceptions noted.

4.) Collections (excluding electronic funds transfers)

- A. 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 deposit sites (or all deposit sites if less than 5).

- B. 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:

- i. Employees responsible for cash collections do not share cash drawers/registers.

Result: There were no exceptions noted.

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Result: There were no exceptions noted.

- iii. 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.

Result: There were no exceptions noted.

- iv. 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/official verifies the reconciliation.

Result: There were no exceptions noted.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Result: There were no exceptions noted.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 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). Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
Result: There were no exceptions noted.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
Result: There were no exceptions noted.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
Result: There were no exceptions noted.
 - iv. Observe the deposit was made within one business day of 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 and the cash is stored securely in a locked safe or drawer).
Result: There were no exceptions noted.
 - v. Trace the actual deposit per the bank statement to the general ledger.
Result: There were no exceptions noted.

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

- A. 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).
- B. For each location selected under #5A 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:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
Result: There were no exceptions noted.
 - ii. At least two employees are involved in processing and approving payments to vendors.
Result: There were no exceptions noted.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
Result: There were no exceptions noted.
 - iv. 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.

Result: There were no exceptions noted.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Result: There were no exceptions noted.

- C. For each location selected under #5A above, obtain the Organization'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:

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the Organization.

Result: There were no exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Result: There were no exceptions noted.

- D. Using the entity's main operation account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Result: There were no exceptions noted.

6.) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

Result: There were no exceptions noted.

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

Result: There were no exceptions noted.

- C. Using the monthly statements or combined statements selected under #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Result: There were no exceptions noted.

7.) Travel and Travel-Related Expense Reimbursements (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Result: There were no exceptions noted.

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

Result: There were no exceptions noted.

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

Result: There were no exceptions noted.

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

Result: There were no exceptions noted.

8.) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
Result: This is not applicable, as the Organization did not have any contracts under the Louisiana Public Bid Law requirements.
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law.
Result: There were no exceptions noted.
 - iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
Result: There were no exceptions noted.
 - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.
Result: There were no exceptions noted.

9.) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #9A above, obtain attendance records and leave documentation for the pay period, and:
- i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
Result: There were no exceptions noted.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.
Result: There were no exceptions noted.

- iii. Observe any leave accrued or taken during the pay period is reflected in the Organization's cumulative leave records.

Result: There were no exceptions noted.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Result: There we no exceptions noted.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the Organization's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to Organization policy.

Result: There were no exceptions noted.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Result: There were no exceptions noted.

10.) Ethics

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above: obtain ethics documentation from management, and:
 - i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - ii. Observe whether the Organization maintains documentation which demonstrates each employee and official were notified of any changes to the Organization's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Result: The Organization is a nonprofit organization; therefore, the ethics agreed-upon procedure does not apply.

11.) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Result: The Organization is a nonprofit organization; therefore, the debt service agreed-upon procedure does not apply.

12.) Fraud Notice

- A. 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 Organization reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Organization is domiciled by R.S. 24:523.

Result: The Organization represented that there were no misappropriations of public funds for the fiscal year. There were no exceptions noted.

- B. Observe the Organization 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.

Result: There were no exceptions noted.

13.) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures:

- i. Obtain and inspect the Organization's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Result: We performed the procedure and discussed the results with management.

- ii. Obtain and inspect the Organization's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Result: We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the Organization's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Result: We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected employees have been removed or disabled from the network.

Result: We performed the procedure and discussed the results with management.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Result: We performed the procedure and discussed the results with management.

14.) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from procedure #9A under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

- B. Observe the Organization has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the Organization's premises if the Organization does not have a website).

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

- C. Obtain the Organization's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

- v. Amount of time it took to resolve each complaint.

Result: The Organization is a nonprofit organization; therefore, the prevention of sexual harassment agreed-upon procedure does not apply.

We were engaged by Traveler's Aid Society of New Orleans, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Traveler's Aid Society of New Orleans, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

A handwritten signature in cursive script that reads "Bernard & Franks".

December 27, 2024
Metairie, Louisiana

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Quasi-Public Agencies)

_____ (Date Transmitted)

Bernard & Franks, A Corporation of Certified Public Accountants (CPA Firm Name)

4141 Veterans Boulevard, Suite 313 (CPA Firm Address)

Metairie, LA 70002 (City, State Zip)

In connection with your audit of our financial statements as of **June 30, 2024** and for **the year then ended** _____ (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of **December 31, 2024** (date completed/date of the representations).

PART I. Agency Profile

1. Name and address of the organization.

Travelers Aid Society of Greater New Orleans, Inc.

1500 Gravier St New Orleans, LA 70112

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

See attached list

3. Period of time covered by this questionnaire.

July 1, 2023 to June 30, 2024

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

Not Applicable

5. Briefly describe the public services provided.

Travelers Aid Society is committed to preventing homelessness and to helping homeless or stranded families and individuals regain a self-sufficient lifestyle.

6. Expiration date of current elected/appointed officials' terms.

Not Applicable

Part II. Federal, State, and Local Awards

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [☒] No [☐] N/A [☐]

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes ☒] No [] N/A []

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes ☒] No [] N/A []

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes ☒] No [] N/A []

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes ☒] No [] N/A []

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes ☒] No [] N/A []

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒] No [] N/A []

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes ☒] No [] N/A []

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes ☒] No [] N/A []

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes ☒] No [] N/A []

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes ☒] No [] N/A []

Part III. Public Records

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes ☐ No ☐ N/A ☒

Part IV. Open Meetings

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication “Open Meeting FAQs,” available on the Legislative Auditor’s website to determine whether a non-profit agency is subject to the open meetings law.**

Yes ☐ No ☐ N/A ☒

Part V. Budget

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes ☒ No ☐ N/A ☐

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes ☒ No ☐ N/A ☐

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes ☒ No ☐ N/A ☐

Part VI. Reporting

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes ☒ No ☐ N/A ☐

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes ☒ No ☐ N/A ☐

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes ☒ No ☐ N/A ☐

26. We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes ☐ No ☐ N/A ☐

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

<u>665</u> Geoffrey Gates (Dec 5, 2021 10:19 CST)	Secretar,	_____	Date
<u>Tupper Allen</u> Tupper Allen (Dec 5, 2021 10:19 CST)	Treasurer	_____	Date
<u>Jared Matthews</u> Jared Matthews (Dec 5, 2021 10:19 CST)	President	_____	Date