

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

**FINANCIAL STATEMENTS AND
AUDITOR'S REPORT**

JUNE 30, 2017

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF ACTIVITIES	6
STATEMENT OF CASH FLOWS	7
NOTES TO FINANCIAL STATEMENTS	8
SUPPLEMENTAL SCHEDULES	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	15
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER	17
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	18
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	20
SCHEDULE OF FINDINGS QUESTIONED COSTS	22

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A LIMITED LIABILITY COMPANY

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Foundation Against Sexual Assault, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana Foundation Against Sexual Assault, Inc. (a non-profit organization), which comprise the statement of the financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Foundation Against Sexual Assault, Inc.

Report on the Financial Statements

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Foundation Against Sexual Assault, Inc. as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Louisiana Foundation Against Sexual Assault, Inc.'s 2016 financial statements, and our report dated September 28, 2016, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of compensation, benefits and other payments to agency head or chief executive officer, and the accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is 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 statement 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 October 25, 2017, on our consideration of Louisiana Foundation Against Sexual Assault, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Louisiana Foundation Against Sexual Assault, Inc.'s internal control over financial reporting and compliance.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
October 25, 2017

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2017

	ASSETS	SUMMARIZED COMPARATIVE INFORMATION JUNE 30, 2016
Cash	\$ 107,314	\$ 102,869
Receivables		
Grants receivable (Notes A4 and B)	317,660	286,143
Other	<u>1,500</u>	<u>-</u>
	<u>319,160</u>	<u>286,143</u>
Prepaid expenses	<u>3,682</u>	<u>3,394</u>
Total assets	<u>\$ 430,156</u>	<u>\$ 392,406</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	<u>\$ 146,812</u>	<u>\$ 77,606</u>
Total liabilities	<u>146,812</u>	<u>77,606</u>
Commitment (Note C)	-	-
Net assets		
Unrestricted	283,344	314,800
Temporarily restricted	<u>-</u>	<u>-</u>
Total net assets	<u>283,344</u>	<u>314,800</u>
Total liabilities and net assets	<u>\$ 430,156</u>	<u>\$ 392,406</u>

The accompanying notes are an integral part of this financial statement.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>SUMMARIZED COMPARATIVE INFORMATION</u> For the year ended <u>June 30, 2016</u>
REVENUE				
Grant appropriations (Note F)	\$ -	\$ 848,707	\$ 848,707	\$ 783,618
Contributions	364	-	364	104
Other	1,280	-	1,280	2,461
Net assets released from restrictions	<u>848,707</u>	<u>< 848,707 ></u>	<u>-</u>	<u>-</u>
TOTAL REVENUE	<u>850,351</u>	<u>-</u>	<u>850,351</u>	<u>786,183</u>
EXPENSES				
Salaries	305,012	-	305,012	202,390
Fringe benefits	77,875	-	77,875	46,352
Travel	32,942	-	32,942	31,014
Operating services	87,056	-	87,056	67,361
Supplies	20,478	-	20,478	27,953
Professional services	23,439	-	23,439	20,780
Equipment expense	5,289	-	5,289	1,575
Subrecipient costs	314,492	-	314,492	328,602
Other costs	<u>15,224</u>	<u>-</u>	<u>15,224</u>	<u>86,676</u>
TOTAL EXPENSES	<u>881,807</u>	<u>-</u>	<u>881,807</u>	<u>812,703</u>
Increase (decrease) in net assets	<u>< 31,456 ></u>	<u>-</u>	<u>< 31,456 ></u>	<u>< 26,520 ></u>
Net assets, beginning of year	<u>314,800</u>	<u>-</u>	<u>314,800</u>	<u>341,320</u>
Net assets, end of year	<u>\$ 283,344</u>	<u>\$ -</u>	<u>\$ 283,344</u>	<u>\$ 314,800</u>

The accompanying notes are an integral part of this financial statement.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2017

		<u>SUMMARIZED COMPARATIVE INFORMATION</u> For the year ended <u>June 30, 2016</u>
Cash flows from operating activities:		
Increase <decrease> in net assets	\$ < 31,456>	\$ < 26,520>
Adjustments to reconcile decrease in net assets to net cash provided by in operating activities:		
Changes in assets and liabilities:		
<Increase> decrease in grants receivables	< 31,517>	< 46,374>
<Increase> decrease in other receivables	< 1,500>	-
<Increase> decrease in prepaid expenses	< 288>	< 3,394>
Increase <decrease> in accounts payable and accrued liabilities	<u>69,206</u>	<u>< 55,001></u>
Net cash provided by <used in> operating activities	<u>4,445</u>	<u>< 131,289></u>
Net increase <decrease> in cash and cash equivalents	4,445	< 131,289>
Cash and cash equivalents, beginning of year	<u>102,869</u>	<u>234,158</u>
Cash and cash equivalents, end of year	\$ 107,314	\$ 102,869

The accompanying notes are an integral part of this financial statement.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. **Nature of Activities**

Louisiana Foundation Against Sexual Assault, Inc. is a nonprofit corporation dedicated to eliminating sexual violence, and to easing the suffering of and facilitating the recovery of victims of sexual violence.

2. **Financial Statement Presentation**

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958. Accordingly, the net assets of the corporation are reported in each of the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets.

The net assets and changes therein are classified as follows:

Unrestricted Net Assets - Contributions and other revenue and expenses for the general operation of its programs.

Temporarily Restricted Net Assets - Contributions and other revenues specifically authorized by the donor or grantor to be used for specific purposes.

Permanently Restricted Net Assets - Contributions subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled and removed by actions of the Corporation pursuant to those stipulations. There were no permanently restricted net assets.

3. **Revenue Recognition**

For financial reporting, the corporation recognizes all contributed support as income in the period received. Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grant revenue is earned in accordance with approved contracts.

4. **Receivables**

The corporation considers accounts receivables to be fully collectible since the balance consists primarily of payments due under government contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. **Property and Equipment**

Louisiana Foundation Against Sexual Assault, Inc. records property acquisitions at cost. Donated assets are recorded at estimated value at the date of donation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. There was no depreciation expense for the year ended June 30, 2017.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

6. **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.

7. **Cash Equivalents**

For purposes of the statement of cash flows, the corporation considers all demand deposits to be cash equivalents.

8. **Fair Values of Financial Instruments**

The carrying amount of cash and cash equivalent reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

9. **Functional Allocation of Expenses**

The expenses of providing programs and other activities have been summarized on a functional basis in Note G to the financial statements. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

10. **Subsequent Events**

The subsequent events of the organization were evaluated through the date the financial statements were available to be issued (October 25, 2017).

11. **Summarized Comparative Information**

Summarized Comparative Information are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

NOTE B – GRANTS RECEIVABLE

Grants receivable at June 30, 2017 consist of the following:

State of Louisiana	
Office of Public Health	\$ 98,258
Louisiana Commission on Law Enforcement	
and Administration of Criminal Justice	210,749
U. S. Department of Justice	8,653
	\$ 317,660

NOTE C - COMMITMENT

The corporation leases its administrative facility under a operating lease expiring May 31, 2021. The rental expense for the year ended June 30, 2017 totaled \$44,336.

The future minimum rental payments are as follows:

Year ending	
<u>June 30,</u>	
2018	\$ 41,460
2019	42,083
2020	42,083
2021	38,576
	\$ 164,202

NOTE D – PENSION PLAN

The corporation established a defined contribution plan covering all full-time employees. The corporation contributes to the plan an amount equal to 7% of the total employee's compensation. There was no change in the contribution rate from the prior year. The pension expense for the year ended June 30, 2017 totaled \$13,009, which is included in fringe benefit costs in the Statement of Activities.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

NOTE E – INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

The corporation has adopted the provision of FASB ASC 740-10-25, which requires a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to position taken or expected to be taken in a tax return. The corporation does not believe its financial statements include any uncertain tax positions.

NOTE F – SUMMARY OF FUNDING

Louisiana Foundation Against Sexual Assault, Inc.'s funding for grants and contracts consist of the following:

	<u>Grants</u>	<u>Period</u>	<u>Grant Award</u>	<u>Revenue Recognized</u>
Governmental				
State of Louisiana Department of Health and Hospitals:				
Office of Public Health		7/1/14-6/30/17	\$ 1,426,914	\$ 473,954
Louisiana Commission on Law Enforcement and Administration of Criminal Justice:				
Victim Outreach Program 8		10/1/17-12/31/17	30,000	12,500
Victim Outreach Program		1/1/16-12/31/16	30,000	14,800
SASP Administrative Funds		5/1/16-3/31/17	17,537	14,301
Prison Rape Elimination Act (PREA) Program		5/1/17-4/30/18	99,335	11,746
Campus Sexual Assault Program 8		1/1/16-6/30/17	103,453	52,613
Sexual Assault Outreach		7/1/16-11/30/16	7,663	7,652
Justice System Program 8		1/1/16-6/30/17	100,169	79,813
Legal Advocacy Program 8		1/1/16-6/30/17	100,626	86,876
Sexual Assault Outreach		10/1/16-3/31/17	696	657
SASP Administrative Funds		4/1/17-12/31/17	20,450	1,243
U. S. Department of Justice				
State Coalition Grant		9/1/15-8/31/17	278,987	92,552
Total grant appropriations				\$ 848,707

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

NOTE G – FUNCTIONAL EXPENSES

Functional expenses for the year ended June 30, 2017, are as follows:

Program Services	
Sexual Violence Prevention and Intervention Services and Education	\$ 803,760
Supportive Services	
Management and general	70,832
Fundraising	<u>7,215</u>
	<u>78,047</u>
	\$ 881,807

NOTE H - BOARD OF DIRECTORS COMPENSATION

The board of directors is a voluntary board; therefore, no compensation was paid to any board member during the year ended June 30, 2017.

NOTE I - CONCENTRATION OF CREDIT RISK

As of June 30, 2017, the unsecured cash balance consists of the following:

Bank balance, including outstanding checks	\$ 122,120
LESS: FDIC insurance	< 250,000 >
Unsecured balance	\$ -

The corporation generates approximately 56% of its revenue from one grantor.

Ninety-seven percent (97%) of grants receivable are from Louisiana governmental agencies.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2017

NOTE J - ECONOMIC DEPENDENCY

Louisiana Foundation Against Sexual Assault, Inc. received the majority of its revenue from funds provided through grants administered by the State of Louisiana. The grant amounts are appropriated each year by the federal and state government. If significant budget cuts are made at the federal and/or state level, the amount of the funds the corporation receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the corporation's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the corporation will receive in the next fiscal year.

The corporation's support through federal and state grants totaled 99% for the year ended June 30, 2017.

SUPPLEMENTAL SCHEDULES

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2017

<u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM CLUSTER TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PASS THROUGH ENTITY IDENTIFYING NUMBER</u>	<u>TOTAL FEDERAL EXPENDITURES</u>	<u>EXPENDITURES TO SUBSCRIPTION</u>
U.S. DEPARTMENT OF JUSTICE:				
Direct programs				
State Coalition Grant	16 556	-	\$ 92,552	\$ -
Subtotal Department of Justice direct programs			... 92,552	-
Pass-through programs from:				
Louisiana Commission on Law Enforcement and Administration of Criminal Justice:				
Victim Outreach Program	16 575	2642	14,800	-
Victim Outreach Program 8	16 575	3263	12,500	-
SASP Administrative Funds	16 017	3271	14,301	-
SASP Administrative Funds	16 017	3533	1,243	-
Justice System Program 8	16 575	3250	79,813	-
Sexual Assault Outreach	16 017	3268	7,652	-
Sexual Assault Outreach	16 588	3419	657	-
Legal Advocacy Program 8	16 575	3251	86,876	-
Campus Sexual Assault Program 8	16 575	3262	52,613	-
Prison Rate Elimination Act (PREA) Program	16 588	3438	11,746	-
Subtotal Department of Justice pass-through programs			... 282,201	-
TOTAL U.S. DEPARTMENT OF JUSTICE			374,753	...
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Pass-through programs from State of Louisiana				
Department of Health and Hospitals - Office of Public Health				
Rape Prevention and Education	93 136	CFMIS#728233	... 473,954	314,492
TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			473,954	314,492
Total Federal Expenditures			\$ 848,707	\$ 314,492

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2017

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Louisiana Foundation Against Sexual Assault, Inc. under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Par 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 Louisiana Foundation Against Sexual Assault, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Louisiana Foundation Against Sexual Assault, Inc.

B. **Summary of Significant Accounting Policies**

(1) 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, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

C. **Non-federal contributions**

The matching contributions for the Victims Outreach Program totaled \$3,700.

D. **Indirect Cost Rate**

Louisiana Foundation Against Sexual Assault, Inc. has not elected to use the 10% de minimis indirect cost rate.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the year ended June 30, 2017

Agency Head: Rafael DeCastio (September 19, 2016 through June 30, 2017)

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 53,856
Benefits - hospitalization	9,323
Benefits - retirement	1,094
Travel	3,528

Agency Head: Micheala Denny (July 1, 2016 through August 31, 2016)

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 11,005
Benefits - hospitalization	1,027
Benefits - retirement	1,127
Travel	226

Justin J. Scanlan, C.P.A., F.T.C.

A LIMITED LIABILITY COMPANY

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

Board of Directors
Louisiana Foundation Against Sexual Assault, Inc.

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 Louisiana Foundation Against Sexual Assault, Inc. (non-profit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 25, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Louisiana Foundation Against Sexual Assault, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Louisiana Foundation Against Sexual Assault, Inc.'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

New Orleans, Louisiana
October 25, 2017

Justin J. Scanlon, CPA, LLC

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

Board of Directors

Louisiana Foundation Against Sexual Assault, Inc.

Report on Compliance for Each Major Federal Program

We have audited Louisiana Foundation Against Sexual Assault, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Louisiana Foundation Against Sexual Assault, Inc.'s major federal programs for the year ended June 30, 2017. Louisiana Foundation Against Sexual Assault, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Louisiana Foundation Against Sexual Assault, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Louisiana Foundation Against Sexual Assault, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Louisiana Foundation Against Sexual Assault, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Louisiana Foundation Against Sexual Assault, Inc. 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 other major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of Louisiana Foundation Against Sexual Assault, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Louisiana Foundation Against Sexual Assault, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate to the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Louisiana Foundation Against Sexual Assault, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
October 25, 2017

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2017

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued		<u>Unmodified</u>
Internal control over financial reporting:		
• Material weakness(es) identified?	yes	<input checked="" type="checkbox"/> no
• Significant deficiency(ies) identified?	yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	yes	<input checked="" type="checkbox"/> no

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	yes	<input checked="" type="checkbox"/> no
• Significant deficiency(ies) identified?	yes	<input checked="" type="checkbox"/> none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.136	U. S. Department of Health and Human Services: Passed through the State of Louisiana Department of Health and Human Hospitals - Office of Public Health Rape Prevention and Education

Dollar threshold used to distinguish between type A and B programs: \$ 750,000

A Type B program was classified as a major program to satisfy the 40% testing rules.

Auditee qualified as low-risk auditee? yes no

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended June 30, 2017

B. FINANCIAL STATEMENTS FINDINGS

There were no findings related to the financial statements for the year ended June 30, 2017.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.

LOUISIANA FOUNDATION AGAINST SEXUAL ASSAULT, INC.

STATEWIDE AGREED-UPON PROCEDURES

For the year ended June 30, 2017

Justin J. Scanlan, C.P.A., L.L.C.

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE.

NEW ORLEANS, LOUISIANA 70122

TELEPHONE: (504) 288-0050

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Louisiana Foundation Against Sexual Assault, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by Louisiana Foundation Against Sexual Assault, Inc. and the Louisiana Legislative Auditor on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal year July 1, 2016 through June 30, 2017. The Louisiana Foundation Against Sexual Assault, Inc.'s management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

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

The procedures and associated results are as follows:

Written Policies and Procedures

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

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
- c) **Disbursements**, including processing, reviewing, and approving.
- d) **Receipts**, including receiving, recording, and preparing deposits.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit card, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exception were noted.

Board (or Finance Committee, if applicable)

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

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

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

Results

The minutes did not include a quarterly budget-to-actual comparison.

Bank Reconciliations

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

Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared:
- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results

There was no physical evidence that management reviewed the bank reconciliations that were prepared by the outside accountant.

Collections

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

Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing cash in the bank, recording the related

transaction, or reconciling the related bank account collected, recording related transactions or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at collection location.
 - Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

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

Note

The collection procedures are not applicable. The organization receives electronic transfers from its grantors. The primary grantors are the federal and state government.

Disbursements - General (excluding credit card/fuel card/P-card purchases or payments)

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

Using the disbursement population from the paragraph above, randomly select 25 disbursements

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

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without (1) an approved requisition and /or purchase order, or electronic equivalent; as receiving report showing the receipts of goods purchased, or electronic equivalent ; and an approved invoice.

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

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

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

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

Note

The organization does not use a signature stamp.

Results

We selected a sample of 40 disbursements and found that 16 purchases were not approved.

Credit Cards

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

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

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

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

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

- a) For each transaction, report whether the transaction is supported by:
 - An original itemized receipt (i.e., identified precisely what was purchased).
 - Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written

purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results

The entity has seven credit card accounts. Reviewed all credit cards for the March/April billing cycle. Twenty-five of the forty seven transactions did not document the business purpose for the purchases.

Travel and Expense Reimbursement

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

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

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

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:

- An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt].
 - Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individual participating).
 - Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).
- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

No exceptions were noted.

Contracts

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

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

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g. solicited quotes or bids, advertisement, selected

lowest bidder).

- If no. obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.
- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

No exceptions were noted.

Payroll and Personnel

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

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

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

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

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

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

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

No exceptions were noted.

Ethics

Non-profit organizations are excluded from the Ethics Statewide Agreed-Upon Procedures.

Debt Service

Non-Profit organizations are excluded from the Debt Service Statewide Agreed-Upon Procedures.

Other

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

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

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

No exceptions were noted.

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

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the State Agreed-Upon Procedures, 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 Louisiana Legislative Auditor as a public document.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
October 25, 2017



STATEWIDE AGREED-UPON PROCEDURES

CORRECTIVE ACTION PLAN

1. **BOARD-** The minutes did not include a quarterly budget-to-actual comparison: **All future Board Meeting financial reports will include the quarterly budget-to-actual comparison in addition to the current reports presented.**
2. **BANK RECONCILIATIONS -** There was no physical evidence that management reviewed the bank reconciliations that were prepared by the outside accountant: **The Executive Director will not only review but also sign all future reconciliations that are prepared by the contracted outside accountant.**
3. **DISBURSEMENTS -** We selected a sample of 40 disbursements and found that 16 purchases were not approved: **The Louisiana Foundation Against Sexual Assault will amend its fiscal policy to not require the approval of monthly disbursements associated with an approved contract.**
4. **CREDIT CARDS -** The entity has seven credit card accounts. Reviewed all credit cards for the March/April billing cycle. Twenty-five of the forty seven transactions did not document the business purpose for the purchased: **The Louisiana Foundation Against Sexual Assault currently attaches all receipts to a payment authorization documentation form which documents the business purpose and the agency also notes the business purpose for all transactions in its financial software. As requested the agency will also document the business purpose on the actual receipt itself.**