

**The Haven, Inc.**

Financial Statements  
and Independent Auditor's Report  
June 30, 2019

**The Haven, Inc.**

Financial Statements and Independent Auditor's Report  
As of and for the Year Ended  
June 30, 2019

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**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
The Haven, Inc.  
Houma, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of The Haven, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 The Haven, Inc. as of June 30, 2019, and the changes in its nets assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to the Executive Director on page 15 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 23, 2019, on our consideration of The Haven, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the Organization's internal control over financial reporting and compliance.



Houma, Louisiana  
December 23, 2019

**FINANCIAL STATEMENTS**

**The Haven, Inc.**  
Statement of Financial Position  
June 30, 2019

**ASSETS**

Current assets:

Cash and cash equivalents	\$ 114,516
Investment	65,255
Unconditional promises to give:	
Corporate grants	28,089
Governmental grants	202,273
Total current assets	410,133

Property and equipment, net of accumulated depreciation of \$271,957	568,592
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Deposit	600
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<b>TOTAL ASSETS</b>	<b>\$ 979,325</b>
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**LIABILITIES AND NET ASSETS**

Current liabilities:

Accounts payable	\$ 5,341
Accrued expenses	5,454
Current maturities of note payable	19,198
Total current liabilities	29,993

Non-current liabilities:

Note payable, less current maturities	116,856
Total liabilities	146,849

Net assets:

Without donor restrictions	813,511
With donor restrictions	18,965
Total net assets	832,476

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 979,325</b>
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See accompanying notes.

**The Haven, Inc.**  
Statement of Activities  
Year Ended June 30, 2019

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES, OTHER SUPPORT, AND RECLASSIFICATION</b>			
Grants:			
Governmental	\$ 570,288	\$ -	\$ 570,288
Corporate	62,145	34,555	96,700
Contributions	103,466	-	103,466
Fundraising	138,977	-	138,977
In-kind contributions	35,951	-	35,951
Net assets released from restrictions	33,993	(33,993)	-
<b>TOTAL REVENUES, OTHER SUPPORT, AND RECLASSIFICATION</b>	<b>944,820</b>	<b>562</b>	<b>945,382</b>
<b>FUNCTIONAL EXPENSES</b>			
Program services			
Domestic violence	611,994	-	611,994
Sexual assault	144,590	-	144,590
Management and general	125,939	-	125,939
Fundraising	19,069	-	19,069
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>901,592</b>	<b>-</b>	<b>901,592</b>
<b>OTHER INCREASES IN NET ASSETS</b>			
Investment income	631	-	631
<b>INCREASE IN NET ASSETS</b>	43,859	562	44,421
<b>NET ASSETS, BEGINNING OF PERIOD</b>	769,652	18,403	788,055
<b>NET ASSETS, END OF PERIOD</b>	<b>\$ 813,511</b>	<b>\$ 18,965</b>	<b>\$ 832,476</b>

See accompanying notes.

**The Haven, Inc.**  
**Statement of Functional Expenses**  
**Year Ended June 30, 2019**

	<u>Program Services</u>		<u>Management and</u>		<u>Fundraising</u>	<u>Total</u>
	<u>Domestic Violence</u>	<u>Sexual Assault</u>	<u>General</u>			
Salaries	\$ 342,723	\$ 86,959	\$ 81,844	\$ -		\$ 511,526
Health insurance	43,460	11,027	10,379	-		64,866
Payroll taxes	27,528	6,985	6,574	-		41,087
Professional fees	26,256	7,502	3,751	-		37,509
Client assistance	32,603	-	-	-		32,603
Insurance	18,234	5,210	2,605	-		26,049
Depreciation	15,810	4,517	2,259	-		22,586
Worker's compensation insurance	12,840	3,258	3,066	-		19,164
Fundraising	-	-	-	19,069		19,069
Food and housing	18,732	-	-	-		18,732
Rent	13,725	4,575	-	-		18,300
Utilities	9,392	3,131	-	-		12,523
Travel and meals	9,227	3,076	-	-		12,303
Retirement contributions	8,057	2,044	1,924	-		12,025
Accounting	-	-	10,705	-		10,705
Telephone	7,464	2,133	1,066	-		10,663
Interest	7,423	-	-	-		7,423
Office	3,837	1,096	548	-		5,481
Miscellaneous	4,238	-	-	-		4,238
Printing	2,419	614	578	-		3,611
Postage	2,050	586	293	-		2,929
Dues and subscriptions	1,938	554	277	-		2,769
Advertising	1,751	584	-	-		2,335
Repairs and maintenance	1,044	348	-	-		1,392
Seminars and conferences	620	207	-	-		827
Bank charges	406	116	56	-		578
Community education	122	41	-	-		163
Employee expenses	95	27	14	-		136
Total	<u>\$ 611,994</u>	<u>\$ 144,590</u>	<u>\$ 125,939</u>	<u>\$ 19,069</u>		<u>\$ 901,592</u>

See accompanying notes.

**The Haven, Inc.**  
Statement of Cash Flows  
Year Ended June 30, 2019

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Increase in net assets	\$ 44,421
Adjustment to reconcile increase in net assets to net cash flows provided by operating activities:	
Depreciation	22,586
(Increase) decrease in operating assets:	
Unconditional promises to give	(72,663)
Prepaid expenses	5,763
Increase in operating liabilities:	
Accounts payable	3,457
Accrued expenses	<u>205</u>

**NET CASH FLOWS PROVIDED BY  
OPERATING ACTIVITIES**

3,769

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchases of property and equipment	(1,940)
Purchases of investment	<u>(417)</u>

**NET CASH FLOWS USED IN  
INVESTING ACTIVITIES**

(2,357)

**CASH FLOWS USED IN FINANCING ACTIVITIES:**

Principal payments of note payable	<u>(19,391)</u>
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**NET DECREASE IN CASH AND CASH EQUIVALENTS**

(17,979)

**BEGINNING CASH AND CASH EQUIVALENTS**

132,495

**ENDING CASH AND CASH EQUIVALENTS**

\$ 114,516

**SUPPLEMENTAL CASH FLOW INFORMATION:**

Cash paid during the year for interest	<u><u>\$ 7,423</u></u>
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See accompanying notes.

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. NATURE OF THE ORGANIZATION**

The Haven, Inc. was organized in Louisiana as a non-profit organization for the purpose of establishing a comprehensive community-based response to sexual assault and interpersonal and family violence in Terrebonne and Lafourche Parish, Louisiana. The Organization provides crisis intervention, legal advocacy, counseling, and community education related to domestic violence and sexual assault. The Organization also provides temporary housing for women and children who are victims of domestic violence and/or sexual assault.

**B. BASIS OF PRESENTATION**

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

**C. CASH AND CASH EQUIVALENTS**

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Fair value approximates carrying amounts.

**D. INVESTMENTS**

Investments are stated at cost, which approximates market.

**E. 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 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 depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**F. BAD DEBTS**

The financial statements of The Haven, Inc. contain no allowance for uncollectible promises to give. Uncollectible accounts are recognized as an expense at the time information becomes available that indicates the amounts are uncollectible. While accounting principles generally accepted in the United States of America require that bad debts be recorded utilizing the allowance method, the difference between the two methods is immaterial to the Organization, as management considers all promises to give at year end to be fully collectible.

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**G. PROPERTY AND EQUIPMENT**

Property and equipment of the Organization, excluding donated property and equipment, are valued at cost. All donated property and equipment are recorded at estimated fair market value on the date of the donation. Assets are capitalized if costs exceed \$200 and if they have a useful life of at least one year. Depreciation of all exhaustible property and equipment is calculated using the straight-line method over estimated useful lives ranging from 5 to 39 years and is charged as an expense against operations. Property and equipment reported on the statement of financial position are net of accumulated depreciation.

**H. NET ASSETS**

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

Net assets without donor restrictions – Net assets not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time, and net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Generally, the donors of assets with no restriction expiration permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

**I. FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**J. ESTIMATES**

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

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**K. ADVERTISING**

Advertising costs are expensed as incurred. Advertising expense totaled \$2,335 for the year ended June 30, 2019.

**L. RECENT PRONOUNCEMENT**

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, the lack of consistency in the type of information provided about expenses and investment return. The Organization has implemented ASU 2016-14 and has presented the financial statements accordingly.

**NOTE 2 – INCOME TAXES**

The Haven, Inc. is a non-profit corporation organized under the laws of the State of Louisiana and has been recognized by the Internal Revenue Service as being exempt from income taxes under Internal Revenue Code Section 501(c)(3).

The Internal Revenue Service has further determined the Organization not to be a private foundation as within the meaning of Internal Revenue Code Section 509(a). Contributions to The Haven are deductible as provided by Section 170 of the Internal Revenue Code. The Organization is not involved in any trade or business unrelated to the purpose for which it received its exemption from income taxes.

**NOTE 3 – CONCENTRATION OF CREDIT RISK**

The Haven, Inc. maintains its cash in one financial institution located in Louisiana. The Federal Deposit Insurance Corporation (FDIC) insures accounts up to \$250,000. As of June 30, 2019, cash balances were fully insured.

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of promises to give due from the State of Louisiana Office of the Governor, Louisiana Commission on Law Enforcement and Administration of Criminal Justice, Terrebonne Parish Consolidated Government, United Way for South Louisiana, and IOLTA. Because these receivables are passed through support from the federal or state governments or local donors, the Organization requires no collateral for these amounts.

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 4 – INVESTMENT**

The investment in the accompanying financial statements consists of a \$65,255 certificate of deposit. The six month certificate bears interest of 0.20% and includes a penalty for early withdrawal, which would not be material to the financial statements. The certificate matures on August 29, 2019, and every six months thereafter.

**NOTE 5 – UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give consist of the following:

Corporate grants/		
United Way for South Louisiana	\$	18,965
IOLTA		9,124
	<u>\$</u>	<u>28,089</u>
Governmental grants/		
Office of the Governor/Department of Social Services	\$	49,292
Louisiana Commission on Law Enforcement and Administration of Criminal Justice		133,153
Terrebonne Parish Consolidated Government		19,828
	<u>\$</u>	<u>202,273</u>

All unconditional promises to give are due within one year and are considered to be fully collectible by management.

The amount due from United Way for South Louisiana represents the Organization's allocation for the remainder of calendar year 2019 and is restricted as to the expiration of time restrictions. All other unconditional promises to give are without donor restrictions.

**NOTE 6 – PROPERTY AND EQUIPMENT**

A summary of changes in property and equipment follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Buildings	\$ 752,523	\$ -	\$ -	\$ 752,523
Furniture, fixtures, and equipment	86,086	1,940	-	88,026
	838,609	1,940	-	840,549
Less: accumulated depreciation	(249,371)	(22,586)	-	(271,957)
Total	<u>\$ 589,238</u>	<u>\$ (20,646)</u>	<u>\$ -</u>	<u>\$ 568,592</u>

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 7 – NOTE PAYABLE**

The Organization owes \$136,054 on a note payable to a bank dated March 14, 2017 with an interest rate of 5.75%, secured by real estate. Monthly principal and interest payments of \$2,225 are due, with a final payment on September 14, 2025.

Maturities of long term debt are as follows:

June 30,		
2020	\$	19,198
2021		20,332
2022		21,533
2023		22,804
2024		24,150
Thereafter		28,037
Total	\$	136,054

**NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS**

The restrictions on net assets as of June 30, 2019 relate to United Way for South Louisiana funding for the remainder of calendar year 2019.

**NOTE 9 – GOVERNMENTAL GRANTS**

During the year ended June 30, 2019, the Organization recognized grant revenue from the following governmental grantors:

State of Louisiana:		
Office of the Governor/Department of Social Services	\$	331,093
Louisiana Commission on Law Enforcement and Administration of Criminal Justice		188,881
Terrebonne Parish Consolidated Government		50,314
Total governmental grants	\$	570,288

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 10 – CORPORATE GRANTS**

During the year ended June 30, 2019, the Organization recognized grant revenue from the following corporate grants:

IOLTA	\$ 36,495
United Way for South Louisiana	34,555
HG	10,000
Houma-Terrebonne Community Development	7,500
Scott	5,000
Allstate Foundation	<u>3,150</u>
Total corporate grants	<u><u>\$ 96,700</u></u>

**NOTE 11 – IN-KIND CONTRIBUTIONS**

In-kind contributions represent the estimated fair value of general corporate goods and services provided. Contributed goods are valued at fair market value on the date of the donation. Contributed services are reflected in the financial statements at the fair value of the services received. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills that would typically need to be purchased if not provided by donation.

The following is a summary of in-kind contributions for the year ended June 30, 2019:

	<u>Estimated Market Value</u>
Client assistance	\$ 24,618
Food and house supplies	7,467
Office supplies	3,266
Equipment	<u>600</u>
	<u><u>\$ 35,951</u></u>

The value of donated volunteer services is not reflected in the accompanying financial statements since they do not meet the recording criteria as per FASB 116. However, a substantial number of volunteers have donated significant amounts of their time in the Organization's program, administrative, and fund-raising activities.

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 12 – FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Haven's financial instruments, none of which are held for trading purposes, include cash and cash equivalents, certificate of deposit, unconditional promises to give, accounts payable, and note payable. Management estimates that the fair value of all financial instruments as of June 30, 2019 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

**NOTE 13 – RETIREMENT PLAN**

The Organization maintains a SIMPLE IRA retirement plan for the benefit of its employees. Under the plan, employees are allowed to contribute up to \$13,000 of their annual salary. Employees over 50 years of age are allowed to contribute an additional \$3,000 annually. It is available to all employees who meet certain compensation criteria (at least \$5,000 in compensation during any two preceding calendar years and are reasonably expected to receive at least \$5,000 in compensation during the current year). Under the provisions of the plan, the Company matches 3% of a participating employee's annual salary. The Organization made matching contributions totaling \$12,025 for the year ended June 30, 2019.

**NOTE 14 – LEASE COMMITMENTS**

The Organization leases the office space from which it conducts its Lafourche Parish administrative functions under a month-to-month operating lease agreement. The agreement includes monthly lease payments of \$1,100. Rent expense incurred under this lease was \$13,200 for the year ended June 30, 2019.

The Organization leases the office space from which it conducts its Terrebonne Parish administrative functions under a one year operating lease agreement that expires on February 28, 2020. The agreement includes monthly payments of \$900. Rent expense incurred under this lease was \$3,600 for the year ended June 30, 2019. Minimum future rentals related to this lease equal \$7,200, all in the year ended June 30, 2020.

**NOTE 15 – UNCERTAIN INCOME TAXES**

The Organization's 2017 tax returns were filed appropriately. As of December 2019, the Organization had not filed its 2018 tax return as the filing due date had been extended to February 15, 2020. The Organization recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The Organization's tax filings are subject to audit by various taxing authorities. The Organization's open audit period is 2015 to 2018. Management has evaluated the Organization's tax position and concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this guidance.

**The Haven, Inc.**  
Notes to Financial Statements  
As of and for the Year Ended June 30, 2019

**NOTE 16 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization's financial assets as of June 30, 2019, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

Current Assets	\$410,133
Less those unavailable for general expenditures within one year	<u>          -</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$410,133</u>

**NOTE 17 – SUBSEQUENT EVENTS**

Management has evaluated subsequent event through December 23, 2019, and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**SUPPLEMENTAL INFORMATION**

**The Haven, Inc.**  
 Schedule of Compensation, Benefits, and Other  
 Payments to the Executive Director  
 For the Year Ended June 30, 2019

**Agency Head Name:** Julie Pellegrin, Executive Director

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 93,000
Benefits - insurance	7,435
Benefits - retirement	2,677
Deferred compensation	-
Benefits - other	-
Car allowance/automobile expense	-
Vehicle provided by government	-
Per diem	604
Reimbursements	1,259
Travel	1,524
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

This form is used to satisfy the reporting requirements of R.S. 24:513(A)(3).

See independent auditor's report.

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

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

To the Board of Directors  
The Haven, Inc.  
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Haven, Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, 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 23, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered The Haven, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Haven, 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 the 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. We did

identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2019-001 that we consider to be a significant deficiency in internal control over financial reporting.

### **Compliance and Other Matters**

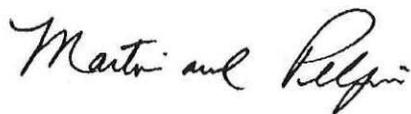
As part of obtaining reasonable assurance about whether The Haven Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

### **The Haven's Response to Finding**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. This report is intended solely for the information and use of the Board of Directors, management, others within the Organization, the Louisiana Legislative Auditor, and federal and state 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 Louisiana Legislative Auditor as a public document.



Houma, Louisiana  
December 23, 2019

**OTHER INFORMATION**

**The Haven, Inc.**  
Schedule of Findings and Responses  
As of and for the Year Ended  
June 30, 2019

**Section I – Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of The Haven, Inc.
2. One significant internal control deficiency (see finding 2019-001) was noted during the audit of the financial statements. This significant control deficiency was not considered to be a material weakness.
3. No instances of noncompliance or other matters required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No instances of noncompliance under the provisions of the Louisiana Governmental Audit Guide were noted during the audit of the financial statements.
5. A management letter was not issued.

**Section II – Financial Statement Findings**

2019-001

Statement of Condition: A significant deficiency in the Organization’s internal control.

Criteria: In our consideration of internal control, we noted that the size of The Haven, Inc.’s operations and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Effects of Condition: The internal control, in our judgment, could adversely affect the entity’s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause of Condition: The size of The Haven, Inc. and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

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Recommendation: The Board of Directors of The Haven, Inc. should closely monitor the day-to-day activities of the Organization and implement other control procedures until the agency has grown to the point where it is cost beneficial to employ an adequate system of internal controls.

Response: The management of The Haven, Inc. agrees with this finding.

Questioned Costs: \$ -0-

**Section III – Federal Award Findings and Questioned Costs**

This section is not applicable.

**The Haven, Inc.**  
Management's Corrective Action  
Plan for Current Year Findings  
As of and for the Year Ended  
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The contact person for all corrective actions noted below is Mrs. Julie Pellegrin, Executive Director.

**Section I – Internal Control and Compliance Material to the Financial Statements**

Inadequate Internal Control

Condition: A significant control deficiency in internal control related to lack of segregation of duties.

Recommendation: The Board of Directors of The Haven, Inc. should closely monitor the day-to-day activities of the Organization and implement other control procedures until the agency has grown to the point where it is cost beneficial to employ an adequate system of internal controls.

Planned Action: The Board of Directors will closely monitor the day-to-day activities of the Organization until it is financially feasible to employ additional staff.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**The Haven, Inc.**  
Schedule of Prior Findings and Resolution Matters  
As of and for the Year Ended  
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Note: All prior findings relate to the June 30, 2018 audit engagement.

**Section I – Internal Control and Compliance Material to the Financial Statements**

Inadequate Internal Control

Condition: A significant control deficiency in internal control related to lack of segregation of duties.

Recommendation: The Board of Directors of The Haven, Inc. should closely monitor the day-to-day activities of the Organization and implement other control procedures until the agency has grown to the point where it is cost beneficial to employ an adequate system of internal controls.

Status: Ongoing. The Organization has implemented the recommendation, but the lack of segregation of duties continues to exist. The Board will continue to perform the recommendation until it is financially feasible to employ additional staff.

**Section II – Internal Control and Compliance Material to Federal Awards**

This section is not applicable.

**Section III – Management Letter**

This section is not applicable.

**STATEWIDE AGREED-UPON PROCEDURES**

**Martin  
and  
Pellegrin**

103 Ramey Road  
Houma, Louisiana 70360

*Certified public Accountants  
(A Professional Corporation)*

Ph. (985) 851-3638  
Fax (985) 851-3951

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

To the Board of Directors  
The Haven, Inc.  
Houma, Louisiana

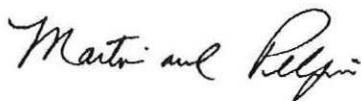
We have performed the procedures enumerated below, which were agreed to by the management of The Haven, Inc. (the Organization) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The Organization's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are described on pages 23-37.

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 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.

The purpose of this report is 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 Louisiana Legislative Auditor as a public document.



Houma, Louisiana  
December 23, 2019

**The Haven, Inc.**

**Houma, Louisiana**

Schedule of Procedures and Associated Findings of the  
Statewide Agreed-Upon Procedures  
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The required procedures and our findings are as follows:

**Written Policies and Procedures**

1. Obtain and inspect the Organization's written policies and procedures and observe that they address each of the following categories and subcategories:

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

Performance: Obtained and inspected the written policy for budgeting.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained and inspected the written policy for purchasing.

Exceptions: The policy does not address how vendors are added to the vendor list.

Management's response: Management will consider adding a section to the policy regarding the addition of vendors to the vendors list.

c) Disbursements, including processing, reviewing, and approving

Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

d) 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

Performance: Obtained and read the written policy for receipts and collections and found it to contain the requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**The Haven, Inc.**  
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Schedule of Procedures and Associated Findings of the  
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- e) Payroll/Personnel, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked

Performance: Obtained and read the written policy for payroll and personnel and found it contained all listed requirements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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

Performance: Obtained and read the written policy related to contracting.

Exceptions: Legal review was not addressed in the policy.

Management's response: Management will consider adding a section to the policy regarding legal review.

- g) Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

Performance: Obtained and read the written policy related to credit cards.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- h) Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Performance: Determined that the Organization follows the Louisiana Travel Guide for travel not covered by federal grants and the policies of the U.S. General Services Administration when travel is covered by federal grants. Obtained and read the travel and expense reimbursement policy.

Exceptions: The policy does not address following the U.S. General Services Administration for travel under federal grants.

Management's response: Management will consider adding a section to the policy regarding travel under federal grants.

- i) 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.

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**Schedule of Procedures and Associated Findings of the  
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Performance: Obtained and read management's description of the disaster recovery/business continuity policy and found it contained all requirements listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Board or Finance Committee**

2. 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:

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

Performance: Determined that the board is to meet at least four times per year per the Organization's by-laws. Obtained and read the written minutes of board meetings and determined the board meeting frequency.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Performance: Inspected the board meeting minutes to determine whether they referenced or included financial activity relating to public funds.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Bank Reconciliations**

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

**The Haven, Inc.**  
**Houma, Louisiana**

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Performance: Obtained the listing of bank accounts from management, including the main operating account, and received management's representation in a separate letter. Obtained and inspected the corresponding bank statement and reconciliation for each account from one month.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;

Performance: Inspected bank reconciliations to determine if they were prepared within two months of the related statement closing date.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation; and

Performance: Inspected documentation for management approvals of each bank reconciliation.

Exceptions: While the bank reconciliations are reviewed by the Executive Director, the December 2018 bank reconciliations did not show proof of her review.

Management's response: The Executive Director will document her review of each bank reconciliation by initialing each one.

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

Performance: Inspected documents for items outstanding for more than twelve months and determined that these items were researched as to what their status is.

Exceptions: There were two minor items that were outstanding for more than twelve months. There was no documentation reflecting that they had been researched as to their status.

Management's response: Management will research these two reconciling items to determine their status.

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**Collections (excluding EFTs)**

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders are prepared and management's representation that the listing is complete. Randomly select five deposit sites (or all deposit sites if less than five).

Performance: Observed the listing of deposit sites from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

5. 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, obtain and inspect written policies and procedures relating to employee job duties at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Observed the listing of collection locations from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Performance: Inspected policy manuals and inquired of client to determine that cash drawers/registers are not shared by employees.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation to the deposit.

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees preparing/making bank deposits.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees posting collection entries to the general ledger or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee verifies the reconciliation.

Performance: Inspected policy manuals and inquired of client to ensure separation of duties for those employees collecting cash and those employees reconciling cash collections to the general ledger and/or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected policy manuals and inquired of client to determine if employees with access to cash are covered by a bond or insurance policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

7. Randomly select two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. Obtain supporting documentation for each of the deposits selected and:

- a) Observe that receipts are sequentially pre-numbered.

Performance: Inspected receipts to determine if they are sequentially pre-numbered.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Inspected deposits from two random deposit dates to determine if they had sequentially pre-numbered receipts, system reports, and other collection documentation that agreed to the respective deposit slips.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Performance: Inspected deposits from two random deposit dates to determine if the deposit slips agreed to the actual deposits per the bank statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Observe that the deposit was made within one business day of receipt at the collection location.

Performance: Determined if deposits from two random dates were deposited within one business day of receipt.

Exceptions: The fifteen checks within the four deposits were not deposited within one business day of receipt.

Management's response: Management will ensure that deposits are made in a timely manner.

- e) Trace the actual deposit per the bank statement to the general ledger.

Performance: Inspected deposits from two random deposit dates to determine if the deposits per the bank statements agree to the general ledger.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

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

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Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter. Determined that only one location processed payments.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

9. For each location selected under #8 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, and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) At least two employees are involved in processing and approving payments to vendors.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) 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.

Performance: Inspected policy and inquired of management as to separation of duties when setting up vendor files.

Exceptions: While those responsible for recording payments in the accounting system are prohibited from adding vendors to the disbursements system unless another employee reviews changes to vendor files, this policy is not included in the written purchasing policy.

Management's response: Management will consider adding a section to the policy regarding the addition/modification of vendor files.

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- d) 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.

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.

Exceptions: The Operations Director is responsible for both processing and mailing payments.

Management's response: An employee other than the Operations Director will mail checks in the future.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select five disbursements for each location, obtain supporting documentation for each transaction and:

Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Observe that the disbursement matched the related original invoice/billing statement.

Performance: Determined that the five random disbursements matched their respective original invoices.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that the disbursement documentation included evidence of segregation of duties tested under #9, as applicable.

Performance: Determined that the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.

Exceptions: Four of the five disbursements did not show documented proof of the segregation of duties.

Management's response: Management will document proof of the segregation of duties on future disbursements.

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

11. 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.

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Performance: Observed the listing of all active credit cards, bank debit cards, fuel cards, and P-cards from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

12. Using the listing prepared by management, randomly select five cards (or all cards if less than five) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card, obtain supporting documentation, and:

- a) Observe that 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.

Performance: Observed written approvals of credit card transactions.

Exceptions: Although approval of the credit card statements was indicated by the Executive Director signing the checks to pay the credit card bills, there was no evidence of approval on the credit card statements themselves.

Management's response: The Executive Director will sign or initial each credit card statement to show evidence of approval.

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

Performance: Traced selected credit card statements to determine if any finance charges or late fees were applied to balances.

Exceptions: One statement included a late fee of \$3.99.

Management's response: Management will implement a system to ensure they are paying their credit card bills in a timely manner so that there are no finance charges or late fees.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select ten transactions (or all transactions if less than ten) from each statement, and obtain supporting documentation for the transactions. For each transaction, observe that 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.

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Performance: Observed whether randomly selected credit card transactions were supported by the items listed above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

14. 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 five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

Performance: Determined that three of the five reimbursements included payment on a per diem basis. Determined that those three reimbursements agreed to the proper authoritative policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Observed that the selected travel reimbursements were supported by original itemized receipts and other supporting documentation that identified precisely what was purchased.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Observe that 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 policy (procedure #1h).

Performance: Determined if the travel reimbursement was supported by documentation of the business/public purpose and other documentation required by written policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Exceptions: One reimbursement to the Executive Director did not have evidence that the reimbursement was approved or reviewed by someone else.

Management's response: Management will ensure that only travel expenses that comply with written policy will be paid by the Commission.

**Contracts**

15. 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. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation of completeness in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Performance: Determined that the Organization does not have any contracts in place subject to Louisiana Public Bid Law.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law.

Performance: Determined that these contracts are included in the annual budget and budget revisions and that the Board of Directors approves the annual budget and any revisions.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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- c) If the contract was amended, observe that the original contract terms provided for such an amendment.

Performance: Determined that the contracts were not amended during the year.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Randomly select one payment from the fiscal period for each of the five contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Performance: Inspected the invoice and compared to the written contract information. The invoice and related payment complied with the terms of the contract.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

**Payroll and Personnel**

16. Obtain a listing of employees employed during the fiscal period and management's representation that the listing is complete. Randomly select five employees, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Performance: Observed the listing of employees and received management's representation of completeness in a separate letter. Obtained the personnel files of five randomly selected employees to determine if each employee's paid salary agreed to the authorized salary/pay per the personnel file.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

17. Randomly select one pay period during the fiscal period. For the five employees selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees documented their daily attendance and leave.

Performance: Randomly selected one pay period to test leave taken during that period. Inspected all daily attendance and leave records for proper documentation.

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Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Performance: Confirmed that attendance and leave records were reviewed and approved by the manager.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Performance: Inquired and confirmed that the Organization maintains written leave records for each employee eligible for paid leave.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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

Performance: Received management's representation that no termination payments were made during the year.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Performance: Received representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Exceptions: There were no exceptions noted.  
Management's response: Not applicable.

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**Other**

20. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Performance: Inquired of management of any misappropriations of public funds or assets and determined that none were noted.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

21. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Performance: Inquired and observed such notice posted on the premises and website.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.