

METRO CENTERS FOR COMMUNITY ADVOCACY, INC.

FINANCIAL REPORT

June 30, 2018 and 2017



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Metro Centers for Community Advocacy, Inc.
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June 30, 2018

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Report



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Independent Auditors' Report

Board of Directors of
Metro Centers for Community Advocacy, Inc.
Jefferson, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Metro Centers for Community Advocacy, Inc. ("MCCA") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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 auditors consider internal control relevant to MCCA'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 MCCA'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 MCCA as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of revenues and expenses by program on page 15 and 16 and the schedule of compensation, benefits, and other payments to agency head on page 17 are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on page 22, 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 also 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 November 13, 2018 on our consideration of MCCA'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 MCCA's internal control over financial reporting and compliance.

Cary Riggs & Ingram, L.L.C.

November 13, 2018



Financial Statements

Metro Centers For Community Advocacy, Inc.
Statements of Financial Position

| <i>As of June 30,</i> | 2018 | 2017 |
|--|---------------|----------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 443,300 | \$ 513,993 |
| Grants receivable | 425,132 | 416,878 |
| Prepays and other current assets | 25,494 | 26,447 |
| Total Current Assets | 893,926 | 957,318 |
| Non-Current Assets | | |
| Beneficial interest in asset held by Greater New Orleans Foundation | 64,900 | 63,405 |
| Property and equipment, net | 1,036,885 | 1,051,817 |
| Total Non-Current Assets | 1,101,785 | 1,115,222 |
| Total Assets | \$ 1,995,711 | \$ 2,072,540 |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts payable and accrued expenses | \$ 16,017 | \$ 61,238 |
| Long term debt, current portion | 24,999 | 24,999 |
| Other liabilities | 12,280 | 1,840 |
| Total Current Liabilities | 53,296 | 88,077 |
| Long-Term Debt, net of current portion | 99,212 | 123,708 |
| Net Assets | | |
| Unrestricted | 1,790,601 | 1,740,820 |
| Temporarily restricted | 52,602 | 119,935 |
| Total Net Assets | 1,843,203 | 1,860,755 |
| Total Liabilities and Net Assets | \$ 1,995,711 | \$ 2,072,540 |

The accompanying notes are an integral part of these financial statements.

Metro Centers For Community Advocacy, Inc.
Statement of Activities

For the year ended June 30,

2018

| | Unrestricted | Temporarily Restricted | Total |
|--|------------------|---------------------------|------------------|
| Public Support, Grant Revenue, and Other Income | | | |
| Revenues and Other Support | | | |
| Grant appropriations- governmental | \$ 1,057,755 | \$ - | \$ 1,057,755 |
| Grant appropriations- non-governmental | 285,690 | 28,500 | 314,190 |
| Donations | 146,483 | | 146,483 |
| In-kind contributions | 744,238 | | 744,238 |
| Fundraising | 5,776 | | 5,776 |
| Net assets released from restrictions | 95,833 | (95,833) | - |
| Total Revenues and Other Support | 2,335,775 | (67,333) | 2,268,442 |
| Other Income | | | |
| Realized and unrealized gains on investments | 4,086 | - | 4,086 |
| Rental income | 1,250 | - | 1,250 |
| Interest income | 811 | - | 811 |
| Total Other Income | 6,147 | - | 6,147 |
| Total Public Support, Grant Revenue, and Other Income | 2,341,922 | (67,333) | 2,274,589 |
| Expenses | | | |
| Operating Expenses | | | |
| Program expenses | 1,935,084 | - | 1,935,084 |
| Management and general | 357,057 | - | 357,057 |
| Total Operating Expenses | 2,292,141 | - | 2,292,141 |
| CHANGES IN NET ASSETS | 49,781 | (67,333) | (17,552) |
| NET ASSETS- beginning of year | 1,740,820 | 119,935 | 1,860,755 |
| NET ASSETS- end of year | \$ 1,790,601 | \$ 52,602 | \$ 1,843,203 |

The accompanying notes are an integral part of these financial statements.

Metro Centers For Community Advocacy, Inc.
Statement of Activities

For the year ended June 30,

2017

| | Unrestricted | Temporarily Restricted | Total |
|--|------------------|---------------------------|------------------|
| Public Support, Grant Revenue, and Other Income | | | |
| Revenues and Other Support | | | |
| Grant appropriations- governmental | \$ 1,046,899 | \$ - | \$ 1,046,899 |
| Grant appropriations- non-governmental | 222,518 | 147,500 | 370,018 |
| Donations | 111,689 | - | 111,689 |
| In-kind contributions | 202,626 | - | 202,626 |
| Fundraising | 9,096 | - | 9,096 |
| Net assets released from restrictions | 27,565 | (27,565) | - |
| Total Revenues and Other Support | 1,620,393 | 119,935 | 1,740,328 |
| Other Income | | | |
| Rental income | 4,988 | - | 4,988 |
| Interest income | 1,073 | - | 1,073 |
| Total Other Income | 6,061 | - | 6,061 |
| Total Public Support, Grant Revenue, and Other Income | 1,626,454 | 119,935 | 1,746,389 |
| Expenses | | | |
| Operating Expenses | | | |
| Program expenses | 1,451,745 | - | 1,451,745 |
| Management and general | 193,368 | - | 193,368 |
| Total Operating Expenses | 1,645,113 | - | 1,645,113 |
| CHANGES IN NET ASSETS | (18,659) | 119,935 | 101,276 |
| NET ASSETS- beginning of year | 1,759,479 | - | 1,759,479 |
| NET ASSETS- end of year | \$ 1,740,820 | \$ 119,935 | \$ 1,860,755 |

The accompanying notes are an integral part of these financial statements.

Metro Centers For Community Advocacy, Inc.
Statements of Cash Flows

| <i>For the years ended June 30,</i> | 2018 | 2017 |
|---|-------------------|-------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ (17,552) | \$ 101,276 |
| Adjustments to reconcile the change in net assets to net cash provided by operating activities: | | |
| Depreciation expense | 71,068 | 68,801 |
| Realized and unrealized (gains) losses and interest on investments | (1,495) | (2,305) |
| (Increase) decrease in operating assets: | | |
| Grants receivable | (8,254) | (93,323) |
| Prepays and other current assets | 953 | 2,919 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable and other liabilities | (34,781) | (1,414) |
| Net cash provided by operating activities | 9,939 | 75,954 |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (56,136) | (189,763) |
| Net cash used in investing activities | (56,136) | (189,763) |
| Cash flows from financing activities | | |
| Principal payments on notes payable | (24,496) | (25,384) |
| Net cash used in financing activities | (24,496) | (25,384) |
| Net decrease in cash and cash equivalents | (70,693) | (139,193) |
| Cash and cash equivalents, beginning of year | 513,993 | 653,186 |
| Cash and cash equivalents, end of year | \$ 443,300 | \$ 513,993 |
| SUPPLEMENTAL CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | \$ 4,848 | \$ 4,706 |

The accompanying notes are an integral part of these financial statements.

Metro Centers for Community Advocacy, Inc. Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Programs

Metro Centers for Community Advocacy, Inc. (“MCCA”) is a not-for-profit organization that provides assistance to victims of domestic violence, sexual assault and stalking. MCCA maintains outreach offices in Jefferson Parish, St. Tammany Parish, the River Parishes, and Orleans Parish. MCCA offers the opportunity for victims to receive counseling services, to obtain legal advocacy from advocates employed by the organization, and to obtain legal assistance for temporary restraining orders. MCCA also operates three temporary housing shelters in Jefferson Parish, providing both emergency and transitional housing to victims of domestic violence, sexual assault and stalking.

Basis of Accounting

The financial statements of MCCA have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The Financial Accounting Standards Board is the accepted standard setting body for establishing not-for-profit accounting and financial reporting principles.

Basis of Presentation

Financial statement presentation follows the reporting requirements of the Financial Accounting Standards ASC (FASB ASC 958), which establishes external financial reporting for not-for-profit organizations that include three basic financial statement classifications of resources into three separate classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets depending on the existence and/or nature of any donor restrictions.

1. Unrestricted Net Assets – limited only by the broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws and limits resulting from contractual agreements with suppliers, creditors and others entered into by the organization in the course of its business. For the years ended June 30, 2018 and 2017, Unrestricted Net Assets totaled \$1,790,601 and \$1,740,820, respectively.
2. Temporarily Restricted Net Assets – assets whose restrictions lapse with the passage of time or the satisfaction of a donor imposed restriction. For the years ended June 30, 2018 and 2017, Temporarily Restricted Net Assets consisted of \$52,602 and \$119,935, respectively, of advanced collections of non-governmental grants.
3. Permanently Restricted Net Assets – assets whose restrictions do not lapse with the passage of time and cannot be lifted by the satisfaction of a donor imposed restriction. There were no Permanently Restricted Net Assets for the years ended June 30, 2018 and 2017.

The classification of net assets into the three separate groupings described above is based on criteria established by the Financial Accounting Standards Board, which are not necessarily consistent with regulations of the Internal Revenue Service concerning restrictions on donations.

Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-kind Contributions

In-kind contributions are reflected as contributions at their fair value at date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. MCCA recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. MCCA receives services from a large number of volunteers who give a significant amount of their time to MCCA's programs and meet the criteria for financial statement recognition. The programs for which the contributed services were used are reflected in the schedules of revenue and expenses by program.

Revenue Recognition of Contributions

MCCA records contributions it receives as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. MCCA receives contributions in the form of "grants" and as cash and noncash donations.

Contributions that are restricted by the donor, are reported as an increase in unrestricted net assets if the restrictions expire in the reporting period in which the contribution is recognized. For all other donor-restricted contributions, MCCA will record an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or when the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Use of 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 the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

Acquisitions of property and equipment in excess of \$3,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of the donation. Depreciation is computed using the straight-line method over five years for vehicles, three years for furniture and equipment, ten years for leasehold improvements and twenty-seven and one half years for buildings. The cost of land is not depreciated. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statement of activities for the period.

Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The cost of repairs and maintenance is charged to expense as incurred; significant renewals and betterments are capitalized. Deductions are made of retirements resulting from renewals or betterments.

Income Taxes

MCCA is operating under Section 501c(3) of the Internal Revenue Code, and is exempt from federal, state and local income taxes on all revenues not related to business activities.

Accordingly, no provision for income taxes is included in the financial statements. This organization has been classified as an organization that is not a private foundation under Section 509(A). MCCA had no business activities in fiscal years ended June 30, 2018 and 2017.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of June 30, 2018 and 2017, MCCA believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Cash and Cash Equivalents

For the purpose of the Statements of Cash Flows, MCCA considers all unrestricted cash and other highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase to be cash equivalents.

Accrued Compensated Absences

MCCA allows the accrual of vacation and sick leave on all full-time employees who have successfully completed six (6) months of employment at a rate of seven (7) hours of vacation and sick time per month. Thereafter, any regular full-time employee who has successfully completed the one-year probation will be allowed to earn one (1) vacation day and sick day at the end of each month. However, if an employee does not use his or her vacation time, this time is not accrued for the following calendar year.

Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. MCCA's policy is to charge costs to the specific programs and supporting services benefited. Accordingly, expenses specifically identifiable to a function are charged directly to that function. Management and general expenses include those expenses that



Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

are not directly identifiable with any specific function but provide for the overall support and direction of MCCA.

Grants Receivable

Grants receivable consists of amounts due from various granting agencies for grants and cost reimbursement programs. These amounts are presented at fair value and management estimates that all are collectible.

Investments

In accordance with the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the statement of financial position. Unrealized and realized gains and losses are included in the change in net assets.

Dividend and interest income is accrued when earned.

Fair Value Measurements

Accounting Standard Codification (ASC) *Fair Value Measurements* establishes a framework for measuring fair value in accordance with Generally Accepted Accounting Principles (GAAP) and disclosures about the fair value measurements. The valuation hierarchy is based upon the reliability of inputs to the valuation of an asset or liability on the measurement date. The three levels of the fair value hierarchy are described below:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 -Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Recently Issued Accounting Pronouncements

The following Accounting Standards Update (ASU) issued and adopted by the Financial Accounting Standards Board (FASB) impacted the Center's financial statements:

Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The provisions of this standard are effective for the year beginning July 1, 2019. Management is still evaluating the impact that the implementation of this ASU will have on the Center’s financial statements, but believes the impact will be immaterial to the financial statements as a whole.

In August 2016, the FASB issued ASU No. 2016-14, Presentation of Financial Statements of Not-for-Profit Entities, which amends the financial reporting and disclosure of net assets for not-for-profit entities. The main provisions include presenting net assets in two classes, net assets with donor restrictions and net assets without donor restrictions, on the statement of financial position; present on the face of the statement of activities the amount of change in each of the two classes; and provide enhanced disclosures over the amounts and purposes of governing board designations, composition of net assets with donor restrictions, and qualitative information that communicates how an organization manages its liquid resources available to meet cash needs for general expenditures within one year of the statement of financial position date. The provisions of this standard are effective for the year beginning July 1, 2018, with early adoption permitted. Management is still evaluating the impact implementation of ASU will have on the Center’s financial statements.

NOTE 2 – PREPAID EXPENSES

Prepaid expenses were comprised of prepayments of health, general liability, auto and property insurance and amounted to \$25,494 and \$25,922, respectively, at June 30, 2018 and 2017.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment as of June 30 was as follows:

| | 2018 | 2017 |
|--------------------------------|--------------------|-------------|
| Land | \$ 197,795 | \$ 197,795 |
| Building | 1,063,914 | 1,034,916 |
| Vehicles | 31,167 | 31,167 |
| Equipment and Furnishings | 190,544 | 161,307 |
| Total | 1,483,420 | 1,425,185 |
| Less: Accumulated Depreciation | 446,535 | 373,368 |
| Property and Equipment, Net | \$1,036,885 | \$1,051,817 |

For the years ended June 30, 2018 and 2017, depreciation expense was \$71,068 and \$68,801, respectively.

Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 4 – LONG-TERM DEBT

MCCA's long-term debt is as follows:

| As of June 30, | 2018 | 2017 |
|--|------------------|------------|
| Note payable to a bank, dated April 25, 2016, with a maturity date of May 1, 2023, principal payable in 11 monthly installments of \$909 and 1 installment each May of \$15,000, plus interest each month at a rate of 2.99%, secured by real property with a net book value of \$173,794. | \$ 124,211 | \$ 148,707 |
| Total debt | 124,211 | 148,707 |
| Current maturities of long-term debt | (24,999) | (24,999) |
| Long-term debt | \$ 99,212 | \$ 123,708 |

Principal payments for future fiscal years are as follows:

| | |
|------------|-------------------|
| 2019 | \$ 24,999 |
| 2020 | 24,999 |
| 2021 | 24,999 |
| 2022 | 24,999 |
| Thereafter | 24,215 |
| | \$ 124,211 |

Interest expense and paid on long-term debt for the years ended June 30, 2018 and 2017 was \$4,848 and \$4,706, respectively.

NOTE 5 – LINE OF CREDIT

MCCA has an unsecured line of credit agreement with an available balance of \$50,000 which carries an interest rate of 7.75%. The agreement has an open maturity date. As of June 30, 2018 and 2017, there were no outstanding borrowings against this line of credit.

NOTE 6 – AGENCY ENDOWMENT FUND

During the year ended June 30, 2012, MCCA entered into an Agency Endowment Fund with the Greater New Orleans Foundation (the Foundation). This fund is accounted for under guidance from Financial Accounting Standards Board Codification Topic 958 (Formerly Statement of Financial Accounting Standard (SFAS) No. 136) and is described as "...a charitable fund established by a nonprofit agency for the benefit of the nonprofit agency." Under the terms of the agreement between MCCA and the Foundation, the Foundation will distribute a portion of the earnings of the fund back to the nonprofit agency annually. These distributions are subject to the endowment fund spending policy. Under this spending policy, the Foundation makes available on an annual basis 4%

Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 6 – AGENCY ENDOWMENT FUND (CONTINUED)

of the 12-quarter rolling average market value of the funds. The cutoff for the calculation is September 30th of each year and all new endowment funds must be invested for four (4) full quarters prior to December 31st of each year in order for any appropriation to be made available. If the donor would like to begin awarding grants prior to such time, the Foundation will permit the donor to make a contribution as a pass-through contribution to the fund the first year's grant-making.

The funds transferred to the Foundation are subject to the Foundation's variance power. MCCA's investment in this fund at June 30, 2018 was \$64,900 and at June 30, 2017 was \$63,405 (which was proportionally invested within the pooled account at 25.6% in Level 1, 9.4% in Level 2, 0% in Level 3, and 65% in net asset value (NAV) investments). MCCA's investment in the fund is reported as "Beneficial interest in asset held by Greater New Orleans Foundation" on the statements of financial position.

NOTE 7 – LEASE COMMITMENTS

MCCA leases its Jefferson Parish East Bank building in which the administrative offices and a shelter are housed. MCCA does not pay rent at this location and the lease is renewable on a year to year basis. Total in-kind contributions for rent at this location amounted to \$87,570 for each of the years ended June 30, 2018 and 2017. Additionally, in-kind contributions for rent includes \$25,620 and \$20,220, respectively, for the years ended June 30, 2018 and 2017, related to individual office space donated by various governmental agencies and other not-for-profits on an as needed basis to meet with customers of MCCA services.

NOTE 8 – CONCENTRATIONS AND CREDIT RISK

A substantial portion of MCCA's support and revenue is derived from grants for the programs conducted. The various grants are approved on a year-to-year basis. Any unexpended grant funds or unauthorized expenditures must be refunded. MCCA received approximately 69% and 76%, respectively, of its total revenues from Federal and State grantors for the years ended June 30, 2018 and 2017.

Custodial credit risk is the risk that in the event of a bank failure, MCCA's deposits may not be returned to it. The Federal Deposit Insurance Corporation ("FDIC") insures all deposits owned by a corporation, partnership or unincorporated association at the same bank up to \$250,000. As of June 30, 2018 and 2017, MCCA did not carry any balances in excess of \$250,000.

NOTE 9 – CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time, although MCCA expects any such amounts to be immaterial.



Metro Centers for Community Advocacy, Inc.
Notes to the Financial Statements

NOTE 10 – RISK MANAGEMENT

MCCA is exposed to various risks of loss related to torts; theft of, damage of, and destruction of assets; errors and omissions; and natural disasters for which the organization carries commercial insurance. There have been no significant reductions in coverage from prior years and settlements have not exceeded coverage in the past three years.

NOTE 11 – BOARD OF DIRECTORS' COMPENSATION

The Board of Directors serves and directs MCCA on a voluntary basis. The Board does not receive compensation.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 13, 2018, and determined that no other events have occurred that require disclosure.



Supplementary Information

Metro Centers for Community Advocacy, Inc.
Schedule of Revenue and Expenses by Program
For the Year Ended June 30, 2018

| | Program Expenses | | | | | Management and General | Fundraising | Total |
|---|------------------|-------------------|-------------------|------------------------------------|------------------------------|---------------------------|-----------------|---------------------|
| | LHSC | La Voz | Sexual Assault | Domestic Violence Assistance | Total Program Expenses | | | |
| Income | | | | | | | | |
| Grant appropriations - governmental | \$ 13,822 | \$ 124,049 | \$ 139,058 | \$ 780,826 | \$ 1,057,755 | \$ - | \$ - | \$ 1,057,755 |
| Grant appropriations - non-governmental | - | - | 67,180 | 247,010 | 314,190 | - | - | 314,190 |
| Donations | - | - | 18,748 | 127,735 | 146,483 | - | - | 146,483 |
| In-kind contributions | - | 125,000 | 15,535 | 603,703 | 744,238 | - | - | 744,238 |
| Fundraising | - | - | - | - | - | - | 5,776 | 5,776 |
| Other Income | - | - | - | 6,147 | 6,147 | - | - | 6,147 |
| Total Income | \$ 13,822 | \$ 249,049 | \$ 240,521 | \$ 1,765,421 | \$ 2,268,813 | \$ - | \$ 5,776 | \$ 2,274,589 |
| Expenses | | | | | | | | |
| Personnel | \$ - | \$ - | \$ 126,714 | \$ 527,057 | \$ 653,771 | \$ 130,706 | \$ - | \$ 784,477 |
| Travel and entertainment | - | 9,256 | 287 | 7,928 | 17,471 | 9,685 | - | 27,156 |
| Operating costs | - | - | 22,984 | 145,616 | 168,600 | 71,401 | - | 240,001 |
| Equipment costs | - | - | 1,835 | 23,027 | 24,862 | 2,266 | - | 27,128 |
| Supplies | - | 9,651 | 2,089 | 17,162 | 28,902 | 911 | - | 29,813 |
| Other costs | 13,494 | 95,785 | 61,575 | 90,422 | 261,276 | 106,984 | - | 368,260 |
| Depreciation | - | - | 9,503 | 26,461 | 35,964 | 35,104 | - | 71,068 |
| Total expense | 13,494 | 114,692 | 224,987 | 837,673 | 1,190,846 | 357,057 | - | 1,547,903 |
| In-kind expenses | | | | | | | | |
| In-kind contributions expense | - | 125,000 | 15,535 | 603,703 | 744,238 | - | - | 744,238 |
| Total in-kind expenses | - | 125,000 | 15,535 | 603,703 | 744,238 | - | - | 744,238 |
| Total Expenses | \$ 13,494 | \$ 239,692 | \$ 240,522 | \$ 1,441,376 | \$ 1,935,084 | \$ 357,057 | \$ - | \$ 2,292,141 |

Metro Centers for Community Advocacy, Inc.
Schedule of Revenue and Expenses by Program
For the Year Ended June 30, 2017

| | Program Expenses | | | Total Program Expenses | Management and Fundraising | | Totals |
|---|-------------------|-------------------|---------------------------------|------------------------------|-------------------------------|-----------------|---------------------|
| | La Voz | Sexual Assault | Domestic Violence Assistance | | General | Fundraising | |
| Income | | | | | | | |
| Grant appropriations - governmental | \$ 87,385 | \$ 143,511 | \$ 816,005 | \$ 1,046,899 | \$ - | \$ - | \$ 1,046,899 |
| Grant appropriations - non-governmental | - | 20,707 | 349,311 | 370,018 | - | - | 370,018 |
| Donations | - | 26,368 | 85,321 | 111,689 | - | - | 111,689 |
| In-kind contributions | 16,200 | 3,000 | 183,426 | 202,626 | - | - | 202,626 |
| Fundraising | - | - | - | - | - | 9,096 | 9,096 |
| Other income | - | - | 6,061 | 6,061 | - | - | 6,061 |
| Total Income | \$ 103,585 | \$ 193,586 | \$ 1,440,124 | \$ 1,737,293 | \$ - | \$ 9,096 | \$ 1,746,389 |
| Expenses | | | | | | | |
| Personnel | \$ - | \$ 135,062 | \$ 610,105 | \$ 745,167 | \$ 76,871 | \$ - | \$ 822,038 |
| Travel and entertainment | 5,340 | 866 | 6,048 | 12,254 | 2,166 | - | 14,420 |
| Operating costs | - | 18,219 | 143,477 | 161,696 | 46,074 | - | 207,770 |
| Equipment costs | - | 4,136 | 9,992 | 14,128 | 1,426 | - | 15,554 |
| Supplies | 2,548 | 3,217 | 28,742 | 34,507 | 1,016 | - | 35,523 |
| Other costs | 79,497 | 19,716 | 129,384 | 228,597 | 49,784 | - | 278,381 |
| Depreciation | - | 9,370 | 50,120 | 59,490 | 9,311 | - | 68,801 |
| Total expense | 87,385 | 190,586 | 977,868 | 1,255,839 | 186,648 | - | 1,442,487 |
| In-kind expenses | | | | | | | |
| In-kind contributions expense | 16,200 | 3,000 | 176,706 | 195,906 | 6,720 | - | 202,626 |
| Total in-kind expenses | 16,200 | 3,000 | 176,706 | 195,906 | 6,720 | - | 202,626 |
| Total Expenses | \$ 103,585 | \$ 193,586 | \$ 1,154,574 | \$ 1,451,745 | \$ 193,368 | \$ - | \$ 1,645,113 |

Metro Centers for Community Advocacy, Inc.
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2018

Agency Head Name: Darlene Santana, Executive Director

| <i>Purpose</i> | <i>Amount</i> |
|--------------------------------|------------------|
| Salary | \$ 82,016 |
| Benefits-health insurance | 8,220 |
| Benefits-retirement | - |
| Deferred compensation | - |
| Workers compensation | 1,899 |
| Benefits-life insurance | - |
| Benefits-long term disability | - |
| Benefits-FICA & Medicare | 6,274 |
| Car allowance | - |
| Vehicle provided by government | - |
| Cell phone | 722 |
| Dues | - |
| Vehicle rental | - |
| Per diem | - |
| Reimbursements | - |
| Travel | - |
| Registration fees | - |
| Conference travel | 806 |
| Unvouchered expenses | - |
| Meetings & conventions | - |
| Other | - |
| Total | \$ 99,937 |

**METRO CENTERS FOR COMMUNITY ADVOCACY, INC.
STATE OF LOUISIANA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2018**



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Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors of
Metro Centers for Community Advocacy, Inc.
Jefferson, 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 Metro Centers for Community Advocacy, Inc. ("MCCA") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 13, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered MCCA'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 MCCA's internal control. Accordingly, we do not express an opinion on the effectiveness of MCCA'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 MCCA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Caru, Riggs & Ingram, L.L.C.

November 13, 2018



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Independent Auditors' Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Directors of
Metro Centers for Community Advocacy, Inc.
Jefferson, Louisiana

Report on Compliance for the Major Federal Program

We have audited Metro Centers for Community Advocacy, Inc.'s ("MCCA") (a nonprofit organization), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on MCCA's major federal program for the year ended June 30, 2018. MCCA's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for MCCA's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 MCCA'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 the major federal program. However, our audit does not provide a legal determination of MCCA's compliance.

Opinion on the Major Federal Program

In our opinion, MCCA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of MCCA 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 MCCA's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 MCCA's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material 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.

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.

Carly Riggs & Ingram, L.L.C.

November 13, 2018

Metro Centers for Community Advocacy, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

| FEDERAL GRANTOR / PASS-THROUGH AGENCY/PROGRAM TITLE | FEDERAL CFDA NUMBER | SUB-AWARD LOCAL GRANT NUMBER | PASSED-THROUGH TO SUBRECIPIENTS | FEDERAL EXPENDITURES |
|---|------------------------|---------------------------------|------------------------------------|-------------------------|
| U.S. Department of Justice | | | | |
| Passed through Louisiana Commission on Law Enforcement | | | | |
| Crime Victim Assistance | 16.575 | 2016-VA-01-3728 | \$ - | \$ 50,141 |
| Crime Victim Assistance | 16.575 | 2015-VA-02/01/01-2958 | - | 59,004 |
| Crime Victim Assistance | 16.575 | 2016-VA-02/01-3723 | - | 238,572 |
| | | | - | 347,717 |
| Violence Against Women Formula Grants | 16.588 | 2016-WF-03-3612/4128 | - | 21,375 |
| Violence Against Women Formula Grants | 16.588 | 2017-WF-03-3606/4191 | - | 27,647 |
| | | | - | 49,022 |
| Sexual Assault Services Program | 16.017 | 2016-KF-01-3517 | - | 45,166 |
| | | | - | 94,188 |
| Total U.S. Department of Justice | | | - | 441,905 |
| U.S. Department of Housing and Urban Development | | | | |
| Passed through Jefferson Parish Department of Community Development Programs | | | | |
| Emergency Solutions Grant Program | 14.231 | E-13-UC-22-0001 | - | 44,260 |
| Emergency Solutions Grant Program | 14.231 | E-13-UC-22-0001 | - | 35,470 |
| Emergency Solutions Grant Program | 14.231 | E-13-UC-22-0001 | - | 50,000 |
| | | | - | 129,730 |
| Total U.S. Department of Housing and Urban Development | | | - | 129,730 |
| U.S. Department of Health and Human Services | | | | |
| Passed through Louisiana Department of Social Services Office of Community Services | | | | |
| Family Violence Prevention and Services/ Domestic Violence Shelter and Supportive Services | 93.671 | 360500570 | - | 345,967 |
| Passed through Louisiana Foundation Against Sexual Assault (LaFASA) Injury Prevention and Control Research and State and Community Based Programs | | | | |
| | 93.136 | 58448 | - | 16,104 |
| Passed through Substance Abuse and Mental Health Services Administration Drug-Free Communities Support Program Grants | | | | |
| | 93.276 | 1HZ79SP021561-01 | - | 124,049 |
| Total U.S. Department of Health and Human Services | | | - | 486,120 |
| Total Expenditures of Federal Awards | | | \$ - | \$ 1,057,755 |

Metro Centers for Community Advocacy, Inc.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Metro Centers for Community Advocacy, Inc. (“MCCA”) (a nonprofit organization) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting- Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. MCCA has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - LOANS

MCCA did not expend federal awards related to loans or loan guarantees during the year.

NOTE 4 – FEDERALLY FUNDED INSURANCE

MCCA has no federally funded insurance.

NOTE 5 – NONCASH ASSISTANCE

MCCA did not receive any federal noncash assistance for the fiscal year ended June 30, 2018.

Metropolitan Center for Community Advocacy, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

A. SUMMARY OF AUDITORS' RESULTS

1. The Independent Auditors' Report expresses an unmodified opinion on the financial statements of Metro Centers for Community Advocacy, Inc. ("MCCA").
2. No material weakness or significant deficiencies relating to the audit in the 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*.
3. There were no instances of noncompliance material to the financial statements of MCCA reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No material weakness or significant deficiency, relating to the audit, is reported in the Independent Auditors' Report on Compliance for the Major Program and on Internal Control over Compliance Required by The Uniform Guidance.
5. The Independent Auditors' Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance expresses an unmodified opinion on the major federal program.
6. There were no findings that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance.
7. The program tested as a major program for the year ended June 30, 2018 was:

| <u>Program Title</u> | <u>CFDA Number</u> |
|---|--------------------|
| Family Violence Prevention Services Program | 93.671 |

8. The dollar threshold for distinguishing between Type A and Type B programs: \$750,000.
9. MCCA qualified as a low-risk auditee under Section 200.520 of Uniform Guidance.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2018.

C. FINDINGS RELATED TO COMPLIANCE AND OTHER MATTERS

There were no findings related to compliance and other matters for the year ended June 30, 2018.

D. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM

There were no findings or questioned costs related to the major federal award program for the year ended June 30, 2018.



**Metropolitan Center for Community Advocacy, Inc.
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018**

E. PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings or questioned costs for the year ended June 30, 2017.



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors of
Metro Centers for Community Advocacy, Inc.
P.O. Box 10775
Jefferson, LA 70181

We have performed the procedures enumerated below, which were agreed to by the Board of Directors of Metro Centers for Community Advocacy, Inc. ("MCCA") 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, 2017 through June 30, 2018. MCCA 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 results are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity'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
Results: No exceptions were found as a result of applying the procedure.
 - 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.
Results: No exceptions were found as a result of applying the procedure.
 - c) ***Disbursements***, including processing, reviewing, and approving
Results: No exceptions were found as a result of applying the procedure.

- 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.

Results: No exceptions were found as a result of applying the procedure.

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

Results: No exceptions were found as a result of applying the procedure.

- 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

Results: No exceptions were found as a result of applying the procedure.

- 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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

Results: No exceptions were found as a result of applying the procedure.

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

Results: No exceptions were found as a result of applying the procedure.

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

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

- 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).

Results: No exceptions were found as a result of applying the procedure.

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

Results: No exceptions were found as a result of applying the procedure.

- 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).

Results: No exceptions were found as a result of applying the procedure.

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

Results: No exceptions were found as a result of applying the procedure.

Other

3. 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.

Results: No exceptions were found as a result of applying the procedure.

4. 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.

Results: No exceptions were found as a result of applying the procedure.

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

Cary Riggs & Ingram, L.L.C.

November 13, 2018