

**Louisiana Coalition Against
Domestic Violence, Inc.
Baton Rouge, Louisiana
December 31, 2017**

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**HAWTHORN
WAYMOUTH
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Certified Public Accountants

Louis C. McKnight, III, CPA
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Independent Auditor's Report

Board of Directors
Louisiana Coalition Against Domestic Violence, Inc.
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana Coalition Against Domestic Violence, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, 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 Louisiana Coalition Against Domestic Violence, Inc. as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and schedule of compensation, benefits and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not required parts 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 June 21, 2018, on our consideration of Louisiana Coalition Against Domestic Violence, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Louisiana Coalition Against Domestic Violence, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Louisiana Coalition Against Domestic Violence, Inc.'s internal control over financial reporting and compliance.

Hawthorn, Waymouth & Carroll, L.L.P.

June 21, 2018

Louisiana Coalition Against Domestic Violence, Inc.
Statement of Financial Position
December 31, 2017

Assets

Current Assets	
Cash and cash equivalents	\$ 111,149
Grants receivable	149,880
Other receivables	550
Prepaid expenses	3,500
	265,079
Total current assets	265,079
Property and Equipment, net	18,253
	18,253
Total assets	\$ 283,332

Liabilities and Net Assets

Current Liabilities	
Accounts payable	\$ 39,396
Accrued vacation and payroll liabilities	33,652
Deferred revenue	11,000
	84,048
Total current liabilities	84,048
Net Assets	
Unrestricted	150,064
Temporarily restricted	49,220
	199,284
Total net assets	199,284
Total liabilities and net assets	\$ 283,332

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

Louisiana Coalition Against Domestic Violence, Inc.
Statement of Activities and Changes in Net Assets
Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Other Support			
Grants - federal and state	\$ 992,189	\$ -	\$ 992,189
Grants - private	-	70,000	70,000
Dues income	12,935	-	12,935
Contributions	6,887	-	6,887
Disaster relief	200	-	200
Other income	1,897	-	1,897
Net assets released from donor restrictions	35,780	(35,780)	-
	<u>1,049,888</u>	<u>34,220</u>	<u>1,084,108</u>
Expenses			
Program services			
Training and technical assistance	668,553	-	668,553
Social change / public awareness	49,842	-	49,842
Statewide toll free domestic violence hotline	214,287	-	214,287
	<u>932,682</u>	<u>-</u>	<u>932,682</u>
General and administrative	109,232	-	109,232
	<u>1,041,914</u>	<u>-</u>	<u>1,041,914</u>
Change in Net Assets	7,974	34,220	42,194
Net Assets, beginning of year	142,090	15,000	157,090
Net Assets, end of year	<u>\$ 150,064</u>	<u>\$ 49,220</u>	<u>\$ 199,284</u>

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

Louisiana Coalition Against Domestic Violence, Inc.
Statement of Functional Expenses
Year Ended December 31, 2017

	Program Services					
	Tranining and Technical Assistance	Social Change / Public Awareness	Statewide Toll Free Domestic Violence Hotline	Total Program Services	General & Admini- strative	Total
Expenses						
Salaries and wages	\$ 340,039	\$ 15,602	\$ 46,381	\$ 402,022	\$ 30,297	\$ 432,319
Employee benefits	105,796	6,457	15,003	127,256	7,712	134,968
Occupancy	32,842	21,188	-	54,030	19,170	73,200
Contract services	10,184	870	42,999	54,053	13,385	67,438
Supplies	42,968	659	2,977	46,604	169	46,773
Travel	27,068	2,674	3,435	33,177	2,285	35,462
Conference	1,226	1,100	-	2,326	8,870	11,196
Insurance	4,115	606	-	4,721	548	5,269
Printing and reproduction	95,174	36	103,492	198,702	32	198,734
Advertising	2,781	650	-	3,431	588	4,019
Depreciation	-	-	-	-	11,054	11,054
Disaster relief	-	-	-	-	12,118	12,118
Other	6,360	-	-	6,360	3,004	9,364
Total expenses	\$ 668,553	\$ 49,842	\$ 214,287	\$ 932,682	\$ 109,232	\$ 1,041,914

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

Louisiana Coalition Against Domestic Violence, Inc.
Statement of Cash Flows
Year Ended December 31, 2017

Cash Flows from Operating Activities	
Change in net assets	\$ 42,194
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	11,054
Bad debt expense	3,004
(Increase) Decrease in assets:	
Grants receivable	(4,282)
Other receivables	1,900
Increase (Decrease) in liabilities:	
Accounts payable	4,192
Accrued vacation and payroll liabilities	6,584
Deferred revenue	1,400
Net cash provided by operating activities	66,046
Cash Flows from Investing Activities	
Purchases of property and equipment	(3,248)
Net cash used in investing activities	(3,248)
Net Increase in Cash and Cash Equivalents	62,798
Cash and Cash Equivalents, beginning of year	48,351
Cash and Cash Equivalents, end of year	\$ 111,149

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

Louisiana Coalition Against Domestic Violence, Inc.
Notes to Financial Statements
December 31, 2017

Note 1-Nature of Organization

The Louisiana Coalition Against Domestic Violence, Inc. (LCADV) is a non-profit organization created on April 26, 1982, to lead a statewide collaborative effort to end domestic violence, provide technical assistance and training, to advocate for and administer financial support, to provide statewide leadership on public policy, to collect and maintain domestic violence reference materials, and to advocate change in existing legislation and adoption of new legislation which will contribute to the eradication of domestic violence in Louisiana.

LCADV operates the following programs:

Training and Technical Assistance - LCADV provides education, support, training and technical assistance to family violence programs and direct service providers to encourage appropriate and comprehensive responses to family violence within the state of Louisiana. Recipients of training and technical assistance include member programs, judicial and law enforcement agencies, child serving agencies, housing agencies, health care and mental health agencies, other social welfare agencies, and the business community.

Social Change/Public Awareness - LCADV leads social change throughout the state by facilitating efforts such as task forces and engaging in community education and awareness through media, distribution of educational materials, awareness campaigns, and social media.

Statewide Toll Free Domestic Violence Hotline - LCADV maintains and markets the statewide toll free domestic violence hotline, which routes callers immediately to a source of help in a crisis. LCADV markets the hotline number through media, billboards, and printed materials.

Public Policy - LCADV serves as a resource center, primary point of contact, and clearinghouse on domestic violence information to support the development and implementation of policies, protocols, and procedures to enhance domestic violence intervention and prevention throughout the state of Louisiana. Expenditures related to public policy are included with general and administrative expenses.

Note 2-Summary of Significant Accounting Policies

A. Basis of Accounting and Presentation

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

LCADV reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets include those net assets whose use by LCADV is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Temporarily restricted net assets are those net assets whose use by LCADV has been limited by donors (a) to later periods of time or other specific dates or (b) for specified purposes. Permanently restricted net assets are those net assets received with donor-imposed restrictions limiting LCADV's use of the assets. At December 31, 2017, LCADV had no permanently restricted net assets and had temporarily restricted net assets totaling \$49,220.

Louisiana Coalition Against Domestic Violence, Inc.
Notes to Financial Statements
December 31, 2017

Note 2-Summary of Significant Accounting Policies (Continued)

B. 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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue, support, and expenses during the reporting period. Actual results could differ from the estimates that were used.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, LCADV considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. LCADV had no cash equivalents at December 31, 2017.

D. Grants Receivable

Grants receivable are recorded at net realizable value consisting of the carrying amount less an allowance for doubtful accounts. LCADV evaluates the collectability of its grants receivable on an individual basis and does not require collateral. Management believes all grants receivable are fully collectable; therefore, there was no allowance recorded at December 31, 2017.

E. Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair market value at the date of donation. Depreciation is provided for using the straight-line method, calculated to extinguish the book value of the assets over their respective useful lives (3 - 7 years for equipment and furnishings). Expenditures for major additions of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

F. Revenue Recognition

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. Contributions restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions and grants are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily or permanently restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Grants which are considered exchange transactions are recognized as revenue when allowable costs are incurred to provide the services specified under the terms of the grant agreements. Advances under the grants are recorded as deferred income until such time as they can be recognized as revenue.

Louisiana Coalition Against Domestic Violence, Inc.
Notes to Financial Statements
December 31, 2017

Note 2-Summary of Significant Accounting Policies (Continued)

G. Compensated Absences

Compensated absences are earned at varying rates from two to four weeks per year depending on length of service. A maximum of two weeks paid time off may be carried over at each employee's anniversary date. At December 31, 2017, \$19,120 was accrued for compensated absences. This amount is included in accrued vacation and payroll liabilities on the statement of financial position.

H. Income Taxes

LCADV has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes. LCADV has been classified as an organization other than a private foundation. Accordingly, no provision has been made for income taxes.

Management has determined that there are no uncertain tax positions that would require recognition in the financial statements. If LCADV were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based on ongoing analysis of tax laws, regulations, and interpretations thereof as well as other factors.

I. Advertising

Advertising and promotion costs are expensed as incurred. LCADV incurred \$4,019 in advertising expenses for the year ended December 31, 2017.

Note 3-Property and Equipment

Property and equipment is comprised of the following as of December 31, 2017:

Equipment and furnishings	\$ 81,682
Less: accumulated depreciation	<u>(63,429)</u>
Total property and equipment, net	<u><u>\$ 18,253</u></u>

Note 4-Line of Credit

LCADV has a \$30,000 line of credit with a bank, of which no balance was drawn as of December 31, 2017. The line of credit will continue until termination of the credit line account by the lender or LCADV. Interest on the line of credit is variable and was 9.00% at December 31, 2017. The line of credit is collateralized by the personal guarantee of an officer of LCADV.

Louisiana Coalition Against Domestic Violence, Inc.
Notes to Financial Statements
December 31, 2017

Note 5-Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2017 were as follows:

Financial Empowerment Program	\$ 21,250
Domestic Violence Survivors Flood Assistance	7,970
Social Change Academy Training	<u>20,000</u>
	<u>\$ 49,220</u>

Note 6-Lease Obligation

LCADV leases office space for \$3,075 per month under an operating lease, which expires May 31, 2020. For the year ended December 31, 2017, rent expense was \$36,900.

The future scheduled rental payments are as follows:

2018	\$ 36,900
2019	36,900
2020	<u>15,375</u>
	<u>\$ 89,175</u>

Note 7-Retirement Plan

Employees of LCADV have the option to enroll in a 403(b) retirement plan after their 90-day probation period has ended. LCADV will match, dollar for dollar, the employee's annual contribution, up to the maximum of 3% of the employee's annual gross salary. Contributions for the year ended December 31, 2017 were \$13,316.

Note 8-Contingencies

LCADV participates in federal and state grant programs, which are governed by various rules and regulations. Costs charged to the grant programs are subject to audit and adjustment by the grantor agency; therefore, to the extent that LCADV has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at year end may be impaired.

In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs disallowed would be recognized in the period agreed upon by the grantor agency and LCADV.

Note 9-Board of Directors Compensation

The Board of Directors is a voluntary board; therefore, no compensation or per diem has been paid to any Director.

Louisiana Coalition Against Domestic Violence, Inc.
Notes to Financial Statements
December 31, 2017

Note 10-Economic Dependency

LCADV derives revenue through grants and contracts administered by the State of Louisiana. The grant and contract amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds received by LCADV could be reduced significantly by an amount that could adversely impact its operations. Management is not aware of any actions that will adversely affect the amount of grants and contracts the organization will receive in the next fiscal year. For 2017, 92% of its revenue was from federal and state government grants and contracts.

Note 11-Subsequent Events

Management of LCADV evaluated all subsequent events through June 21, 2018, the date the financial statements were available to be issued. As a result, management noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

Supplementary Information

**Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Compensation, Benefits and Other
Payments to Agency Head or Chief Executive Officer
Year Ended December 31, 2017**

Agency Head: Mariah Wineski, Executive Director

<u>Purpose:</u>	<u>Amount</u>
Salary	\$ 72,800
Benefits - insurance	9,349
Benefits - retirement	2,162
Benefits - cellphone	750
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	219
Travel	5,606
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0



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

Board of Directors
Louisiana Coalition Against Domestic Violence, Inc.
Baton Rouge, 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 Louisiana Coalition Against Domestic Violence, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, 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 June 21, 2018.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency (2017-001).

Compliance and Other Matters

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

Louisiana Coalition Against Domestic Violence, Inc.'s Response to the Finding

Louisiana Coalition Against Domestic Violence, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Louisiana Coalition Against Domestic Violence, Inc.'s 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.

Hawthorn, Weymouth & Carroll, L.L.P.

June 21, 2018



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**Independent Auditor's Report
on Compliance for Each Major Program and on Internal
Control over Compliance Required by the Uniform Guidance**

Board of Directors
Louisiana Coalition Against Domestic Violence, Inc.
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Louisiana Coalition Against Domestic Violence, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Louisiana Coalition Against Domestic Violence, Inc.'s major federal programs for the year ended December 31, 2017. Louisiana Coalition Against Domestic Violence, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Louisiana Coalition Against Domestic Violence, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2017-002 and 2017-003 to be significant deficiencies.

Louisiana Coalition Against Domestic Violence, Inc.'s response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Louisiana Coalition Against Domestic Violence, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Hawthorn, Weymouth & Carroll, L.L.P.

June 21, 2018

Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

<u>Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
United States Department of Justice			
<i>Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice</i>			
Crime Victim Assistance *	N/A	16.575	\$ 701,176
Violence Against Women Formula Grants	N/A	16.588	<u>5,280</u>
Total passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice			<u>706,456</u>
State Domestic Violence and Sexual Assault Coalitions	N/A	16.556	<u>77,168</u>
Total United States Department of Justice			<u>783,624</u>
United States Department of Health and Human Services			
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	N/A	93.671	<u>154,669</u>
Total United States Department of Health and Human Services			<u>154,669</u>
Total Expenditures of Federal Awards			<u><u>\$ 938,293</u></u>

* Denotes major program

The accompanying notes are an integral part of this schedule.

Louisiana Coalition Against Domestic Violence, Inc.
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2017

Note 1-Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Louisiana Coalition Against Domestic Violence, Inc. under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Louisiana Coalition Against Domestic Violence, Inc., it is not intended to and does not present the financial position, change in net assets, or cash flows of Louisiana Coalition Against Domestic Violence, Inc.

Note 2-Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3-Loan and Loan Guarantee Programs

Louisiana Coalition Against Domestic Violence, Inc. had no loans or loan guarantee programs outstanding as of December 31, 2017 for those loans described in 2 CFR 200.502(b).

Note 4-Indirect Cost Rate

Louisiana Coalition Against Domestic Violence, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 5-Subrecipients

Louisiana Coalition Against Domestic Violence, Inc. did not pass-through any of its federal awards to a subrecipient during the year ended December 31, 2017.

Note 6-Non-Cash Assistance

No federal awards were expended in the form of non-cash assistance during the year ended December 31, 2017.

Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2017

Section I - Summary of Audit Results

Financial Statements

Type of report the auditor issues on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

* Material weakness(es) identified?

_____ Yes X No

* Significant deficiency(ies) identified?

 X Yes _____ None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Management letter issued?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

* Material weakness(es) identified?

_____ Yes X No

* Significant deficiency(ies) identified?

 X Yes _____ None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 X Yes _____ No

Identification of major federal programs:

_____	_____
CFDA Number	Federal Program or Cluster
16.575	Crime Victim Assistance

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

Auditee qualified as low-risk auditee:

_____ Yes X No

Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2017

Section II - Financial Statement Findings

2017-001: Segregation of Duties

Criteria:

LCADV should separate responsibilities for authorizing transactions, recording transactions, and the custody of assets.

Condition:

Due to the small size of LCADV, ideal segregation of duties cannot be achieved.

Cause:

The size of LCADV does not permit proper segregation of duties.

Effect:

The lack of segregation of duties increases the risk of fraud related to misappropriation of assets, financial statement misstatement, or both.

Auditor's recommendation:

While we recognize it may not be cost effective to justify implementing a full segregation of duties for an extensive system of internal control in all areas, we believe it is important that management and those charged with governance are aware that some weaknesses exist and that they should continue to apply diligent oversight and monitoring activities.

Views of responsible officials and planned corrective actions:

Effective January 1st, 2018, LCADV implemented revised Financial Policies and Procedures to resolve this finding. Specifically, additional personnel have been added to segregate the accounting procedures and disbursements in accordance with these revised Financial Policies and Procedures.

Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2017

Section III - Federal Awards Findings

2017-002: Written Policies, Procedures, and Standards of Conduct

Federal Program Information:

CFDA 16.575: Crime Victim Assistance

Criteria:

LCADV should have written policies, procedures, and standards of conduct governing Federal awards as required by 2 CFR 200, Subparts D and E (2 CFR sections 200.300 and 200.400, respectively).

Condition:

LCADV did not have documentation for policies in accordance with 2 CFR 200, Subparts D and E.

Questioned costs:

None.

Context:

Management stated that LCADV had no policies and procedures pertaining to federal awards in accordance with 2 CFR 200, Subparts D and E.

Cause:

While the entity did have processes to address the required policies and procedures, there was no documentation of these processes.

Effect:

LCADV does not have documented processes relevant to federal awards in accordance 2 CFR 200, Subparts D and E (2 CFR sections 200.300 and 200.400, respectively).

Auditor's recommendation:

Management should document its processes relevant to federal awards in accordance with 2 CFR 200, Subparts D and E (2 CFR sections 200.300 and 200.400, respectively).

Views of responsible officials and planned corrective actions:

LCADV will revise its current policies and procedures to include the required language as set forth in the Uniform Guidance.

Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2017

Section III - Federal Awards Findings (Continued)

2017-003: Supervisory Review and Approval for each Federal Disbursement

Federal Program Information:

CFDA 16.575: Crime Victim Assistance

Criteria:

In accordance with its cash disbursement policy, the Executive Director should initial and date each invoice to document supervisory review and approval.

Condition:

LCADV was unable to provide documentation of supervisory review and approval for three disbursements.

Questioned costs:

None.

Context:

Of the 40 disbursements sampled, three disbursements lacked documentation of supervisory review and approval.

Cause:

Without cause.

Effect:

LCADV did not follow its cash disbursement policy.

Auditor's recommendation:

Management should initial and date each invoice to document supervisory review and approval on the invoice before payment is made.

Views of responsible officials and planned corrective actions:

The three disbursements referenced were paid via check, with all three checks being signed by the Executive Director, and two of the three being signed by a second signer as well. LCADV Financial Policies and Procedures provide for review and approval of each invoice before payment is made. However, these three invoices were inadvertently not initialed. There are now practices in place to ensure all check disbursements comply with written Financial Policies and Procedures.

Louisiana Coalition Against Domestic Violence, Inc.
Schedule of Prior Year Findings
Year Ended December 31, 2017

Part I - Financial Statement Findings

2016-001: Segregation of Duties

Summary of Prior Year Finding:

There is an inadequate segregation of duties within LCADV's accounting department.

Status:

Finding repeats as current year finding 2017-001.

Part II - Management Letter

A management letter was not issued for the year ended December 31, 2016.

**Louisiana Coalition Against
Domestic Violence, Inc.
Agreed-Upon Procedures Report
December 31, 2017**



**Independent Accountant's Report
on Applying Agreed-upon Procedures**

To the Board of Directors of Louisiana Coalition Against Domestic Violence, Inc. and the Louisiana Legislative Auditor.

We have performed the procedures enumerated below, which were agreed to by Louisiana Coalition Against Domestic Violence, Inc. (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-upon Procedures (SAUPs) for the fiscal period January 1, 2017 through December 31, 2017. The Entity's management is responsible for those control and compliance areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users for 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 performed and the associated findings are listed below. The procedures performed are stated first, followed by the associated findings presented in italics.

Written Policies and Procedures

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

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

No exceptions noted.

- 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.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 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.

No exceptions noted.

- 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.

No exceptions noted.

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

No exceptions noted.

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

Not applicable.

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

Not applicable.

Board (or Finance Committee, if applicable)

2. Obtained and reviewed the board/committee minutes for the fiscal period, and:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Bank Reconciliations

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

No exceptions noted.

- 4. Using the listing provided by management, selected the entity's only bank account. For the bank account selected, obtained bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

No exceptions noted.

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

No exceptions noted.

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

Noted no documentation of research for three reconciling items that were outstanding for more than 6 months as of the end of the fiscal period.

Collections

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

No exceptions noted.

6. Using the listing provided by management, selected the entity's only cash collection location. For each cash collection location selected:

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

No exceptions noted.

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

No exceptions noted.

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

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

8. Obtained a listing of entity disbursements from management or, alternately, obtained the general ledger and sorted/filtered for entity disbursements. Obtained management's representation that the listing or general ledger population is complete.

No exceptions noted.

9. Using the disbursement population from #8 above, randomly selected 25 disbursements excluding credit card/debit card/fuel card/P-card purchases or payments. Obtained supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and reported whether the supporting documentation for each transaction demonstrated that:
- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

We found that the Entity does not use a requisition/purchase order system or an equivalent electronic system that separates initiation from the approval functions in the same manner as a requisition/purchase order system.

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

Not applicable.

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

Two invoices did not have documentation of approval.

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

Management reported that the person responsible for processing payments is not prohibited from adding vendors to the Entity's purchasing/disbursement system.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

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

No exceptions noted.

15. Using the listing prepared by management, selected the only 2 cards that were used during the fiscal period. Obtained the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Selected the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Reported whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

No exceptions noted.

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

Noted \$156.24 of finance charges and \$49 of late fees assessed on the selected statement.

16. Using the monthly statements or combined statements selected under #15 above, obtained supporting documentation for all transactions for the 2 cards selected.

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

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

Three transactions were not supported by an original, itemized receipt.

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

Four transactions did not include a description of the business purpose.

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

No exceptions noted.

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

Three transactions were not supported by an original, itemized receipt.

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

Four transactions did not have documentation related to the transaction describing the nature of the purchase and its business/public purpose for comparison to the requirements of Article 7, Section 14 of the Louisiana Constitution.

Travel and Expense Reimbursement

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

No exceptions noted.

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

No exceptions noted.

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

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

No exceptions noted.

- b) Reported whether each expense is supported by:

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Contracts

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

No exceptions noted.

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

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

No exceptions noted.

- b) Compared each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Reported whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

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

Not applicable.

- If no, obtained supporting contract documentation and reported whether the entity solicited quotes as a best practice.

The entity solicited quotes as a best practice for two of the five contracts tested.

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

Of the five contracts provided, one was amended. The contract was amended to include additional labor related to the design of training literature and an additional \$1,000 to the original contract price. The original contract terms provided for such an amendment.

- d) Selected the largest payment from each of the five contracts, obtained the supporting invoice, compared the invoice to the contract terms, and reported whether the invoice and related payment complied with the terms and conditions of the contract.

No exceptions noted.

- e) Obtained/reviewed contract documentation and board minutes and reported whether there is documentation of board approval, if required by policy or law.

No exceptions noted.

Payroll and Personnel

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

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

No exceptions noted.

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

No exceptions noted.

- 23. Obtained attendance and leave records and randomly selected one pay period in which leave has been taken by at least one employee. Within that pay period, randomly selected 25 employees/officials and:

- a) Reported whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 24. Obtained from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. Selected the only termination payment (e.g., vacation, sick, compensatory time) made during the fiscal period and obtained the personnel file for the employee/official. Reported whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

No exceptions noted.

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

No exceptions noted.

Other

26. Inquired of management whether the entity had any misappropriations of public funds or assets. If so, obtained/reviewed supporting documentation and reported whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management was not aware of any misappropriation of public funds or assets.

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

The notice was not posted on the Entity's premises or website.

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

No exceptions noted.

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

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. 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.

Hawthorn, Waymouth & Carroll, L.L.P.

June 11, 2018



LCADV Management Response

To Agreed-Upon Procedure Report

June 25, 2018

The following are LCADV responses to the “*Exceptions*” in the AUP report provided to us by Hawthorn, Waymouth & Carroll, LLP.

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

Noted no documentation of research for three reconciling items that were outstanding for more than 6 months as of the end of the fiscal period.

RESPONSE: There were three items in the check register that had not cleared by year end. Those items have since been cleared and reconciled.

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

We found that the Entity does not use a requisition/purchase order system or an equivalent electronic system that separates initiation from the approval functions in the same manner as a requisition/purchase order system.

RESPONSE: Due to the nature of our organization, a purchase order system is not practical at this time.

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

Two invoices did not have documentation of approval.

RESPONSE: After further review, these invoices referenced come with pay stubs on them. We are quite certain that the paystub portion of the bills is where the approval was initialed and dated. Subsequently, the stubs were mailed with the checks. This procedure has since been changed. Our current practice is to photocopy and file the entire approved invoice, including the stub.

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

Management reported that the person responsible for processing payments is not prohibited from adding vendors to the Entity's purchasing/disbursement system.

Response: LCADV uses QuickBooks Accounting Software, and upon exploration of this issue, there is not an option to remove the ability to create a vendor without also disabling other features necessary to use the software. In addition, the LCADV Financial Policies and Procedures are such that distribution of a payment cannot take place unless reviewed, initialed, and signed by an authorized person other than the person processing payments.

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

Noted \$156.24 of finance charges and \$49 of late fees assessed on the selected statement.

RESPONSE: These costs were incurred due to grantor delays in issuing reimbursements.

16-a&b) For each transaction, reported whether the transaction is supported by:

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

Three transactions were not supported by an original, itemized receipt.

RESPONSE: The three disbursements referenced were credit card charges, LCADV Financial Policies and Procedures provide for review and approval of each credit card charge. With regards to recurring charges, it is now our practice to maintain a copy of the recurring documentation. The other two charges were instances where the original receipts were misplaced and a form was created to support the charge as we have to do on rare occasions. There are now practices in place to ensure all credit card charges comply with written Financial Policies and Procedures.

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

Four transactions did not include a description of the business purpose.

RESPONSE: There are now practices in place to ensure all credit card charges comply with written Financial Policies and Procedures, and that the business purpose is included on all credit card receipts.

21-b) If no, obtained supporting contract documentation and reported whether the entity solicited quotes as a best practice.

The Entity solicited quotes as a best practice for two of the five contracts tested.

RESPONSE: Our practice is to ensure that all contracts comply with written Financial Policies and Procedures and funder requirements. When necessary and appropriate, quotes are solicited.

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

The notice was not posted on the Entity's premises or website.

RESPONSE: The notice has since been posted on the premises and is now on the website.



Mariah Wineski
Executive Director
Louisiana Coalition Against Domestic Violence