

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana

**FINANCIAL REPORT**

September 30, 2019

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana

**TABLE OF CONTENTS**

September 30, 2019

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	<b>3</b>
Statement of Activities	<b>4</b>
Statement of Cash Flows	<b>5</b>
Statement of Functional Expenses	<b>6</b>
Notes to Financial Statements	<b>7</b>
<b>SINGLE AUDIT REPORTS</b>	
Independent Auditor's Report on Compliance and Other Matters and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	<b>12</b>
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	<b>14</b>
Schedule of Expenditures of Federal Awards	<b>16</b>
Notes to the Schedule of Expenditures of Federal Awards	<b>17</b>
Schedule of Finding and Questioned Costs	<b>18</b>
Summary Schedule of Prior Year Findings	<b>19</b>
<b>SUPPLEMENTAL INFORMATION</b>	
Schedule of Compensation, Benefits and Other Payments to the Executive Director	<b>20</b>
Independent Accountant's Report on Applying Agreed-Upon Procedures	<b>21</b>

**John L. McKowen**  
Certified Public Accountant

2178 Myrtle Avenue  
Baton Rouge, Louisiana 70806

Office (225) 615-7844  
jlmckowen@cox.net

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Family Road of Greater Baton Rouge, Inc.  
Baton Rouge, Louisiana

**Report on the Financial Statements**

I have audited the accompanying financial statements of Family Road of Greater Baton Rouge, Inc., a Louisiana nonprofit corporation, which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, cash flows and functional expenses 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**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Audit Standards*, issued by the Comptroller General of the United States. Those standards require that I 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, I 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Family Road of Greater Baton Rouge, Inc. as of September 30, 2019, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

My 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 on pages 19-20, 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* and the schedule of compensation, benefits and other payments to the executive director on page 25 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and derives 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 my 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*, I have also issued my report dated March 26, 2019, on my consideration of Family Road of Greater Baton Rouge Inc.'s internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.



John L. McKowen, CPA

Baton Rouge, Louisiana  
March 26, 2020

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana  
**STATEMENT OF FINANCIAL POSITION**  
September 30, 2019

**ASSETS**

Current Assets

Cash and cash equivalents - without donor restrictions	\$ 9,638
Accounts Receivable	67,326
Cash and cash equivalents - with donor restrictions	37,809
Total Current Assets	<u>114,773</u>

Property and Equipment

Building	432,382
Furniture and equipment	423,087
Leasehold improvements	488,035
	<u>1,343,504</u>
Less: Accumulated depreciation	(905,154)
Net Property and Equipment	<u>438,350</u>

Total Assets

\$ 553,123

**LIABILITIES**

Current Liabilities

Accounts payable	\$ 30,524
Accrued expenses	65,435
Notes payable - current portion	55,000
Total Current Liabilities	<u>150,959</u>

Long-Term Liabilities

Notes payable - less current portion	30,384
Total Long-Term Liabilities	<u>30,384</u>

Total Liabilities

181,343

**NET ASSETS**

Without donor restrictions	333,971
With donor restrictions	37,809
Total Net Assets	<u>371,780</u>

**Total Liabilities and Net Assets**

\$ 553,123

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

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
 Baton Rouge, Louisiana  
**STATEMENT OF ACTIVITIES**  
 Year ended September 30, 2019

**CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**

Unrestricted revenue	
Contributed services	\$ 57,420
Donated materials	41,930
Public support	8,109
Fundraising	953
Other	18,318
Forgiveness of debt	543,703
Grants	784,337
Total unrestricted revenue	<u>1,454,770</u>
Net assets released from restrictions	174,691
Total unrestricted revenue and other support	<u>1,629,461</u>
Expenses	
Programs	936,487
Management and general	286,945
Fundraising	2,478
Total expenses	<u>1,225,910</u>
Change in net assets without donor restrictions	<u>403,551</u>

**CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS**

Restricted grants	212,500
Net assets released from restrictions	<u>(174,691)</u>
Change in net assets with donor restrictions	<u>37,809</u>
<b>TOTAL CHANGE IN NET ASSETS</b>	441,360
Net assets (deficit) at beginning of year	<u>(69,580)</u>
<b>Net assets at end of year</b>	<u><u>\$ 371,780</u></u>

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

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

**STATEMENT OF CASH FLOWS**

Year ended Septemeber 30, 2019

	<u>Business-type Activities</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 441,360
Adjustments to reconcile the change in net assets to net cash provided by operating activities	
Depreciation	29,284
Changes in operating assets and liabilities:	
Accounts receivable	31,705
Prepaid expenses	6,419
Accrued expenses and accounts payable	<u>(10,030)</u>
Net cash provided by operating activities	<u>498,738</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Acquisition of capital assets	(14,869)
Net cash used by investing activities	<u>(14,869)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Forgiveness of debt	(496,985)
Net cash used by investing activities	<u>(496,985)</u>
Net Decrease in Cash and Cash Equivalents	(13,116)
Cash and Cash Equivalents, beginning of year	<u>60,563</u>
Cash and Cash Equivalents, end of year	<u>\$ 47,447</u>

There was no income tax expense or interest expense for the year ended September 30, 2019.

The accompanying notes are an integral part of these statements.

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana

**STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended September 30, 2019

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and contract fees	\$ 542,898	\$ 124,029	\$ -	\$ 666,927
Payroll taxes and employee benefits	79,921	33,496	-	113,417
Utilities and building maintenance	-	18,060	-	18,060
Insurance	3,671	26,881	-	30,552
Depreciation	-	29,364	-	29,364
Interest expense	-	-	-	-
In-kind donations (program)	99,350	-	-	99,350
Meetings, travel and education	53,983	848	-	54,831
Legal and accounting fees	17,445	8,857	-	26,302
Marketing	5,090	-	-	5,090
Telephone	22,058	6,137	-	28,195
Office and computer supplies	36,449	21,469	-	57,918
Printing and publications	7,754	3,017	-	10,771
Postage	304	204	-	508
Fundraising expenses	-	-	2,478	2,478
Program and other expenses	67,564	14,583	-	82,147
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	<u>\$ 936,487</u>	<u>\$ 286,945</u>	<u>\$ 2,478</u>	<u>\$ 1,225,910</u>

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



**FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

**NOTES TO FINANCIAL STATEMENTS**

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

**Organization and purpose**

Family Road of Greater Baton Rouge, Inc. (the Organization) is a Louisiana nonprofit corporation organized to provide a place to help meet the needs of families through collaboration and coordination of community resources. The sources of income to the Organization include donations (public support), grants, donated services and materials.

The Healthy Start grant was initially awarded to the Organization during the year ended September 30, 2002. The grant has been continually renewed since that time and is currently scheduled through March 31, 2023. Funding is provided by the U.S. Department of Health and Human Services through the Health Resources and Services Administration – Maternal and Child Health Bureau. The goal of the Healthy Start program is to enhance the community's service system to address significant infant mortality and other personal health indicators related to disparities or differences occurring due to the lack of education, low income, disability, or living in rural areas.

**Basis of accounting and reporting**

Family Road of Greater Baton Rouge, Inc. prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Family Road of Greater Baton Rouge, Inc. reports its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of September 30, 2019, Family Road of Greater Baton Rouge, Inc. had net assets without donor restrictions of \$333,971, and net assets with donor restrictions of 37,809.

**Cash and cash equivalents**

Cash and cash equivalents include all monies in banks with original maturities of 90 days or less. Restricted cash represents amounts held by the Organization with donor imposed restrictions

**Promises to give**

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in

## **FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

### **NOTES TO FINANCIAL STATEMENTS**

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 restricted net assets are reclassified as unrestricted net assets.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined that no allowance is necessary as of September 30, 2019.

#### **Property and equipment**

Property and equipment are stated at historical cost. Depreciation of property and equipment is based upon the estimated useful lives of the assets, which range from 5-39 years, using the straight-line method. Maintenance and repairs are charged to expense, while additions and improvements are capitalized.

#### **Contributed materials and services**

The Organization recognizes contribution revenue for certain services received at the estimated fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased, if not provided for by donation.

Donated materials and equipment are reflected as contribution income and expense in the accompanying financial statements at their estimated values at the date of receipt.

#### **Contributions**

Contributions and grants received are recorded as those with donor restrictions or without donor restrictions depending on the nature of any donor restrictions.

#### **Income taxes**

Family Road of Greater Baton Rouge, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation.

## **FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

### **NOTES TO FINANCIAL STATEMENTS**

The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years 2016, 2017 and 2018 are subject to examination by the IRS.

#### **Estimates**

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

#### **New accounting pronouncement**

During the year ended September 30, 2019, Family Road adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – Not-for Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 addresses the complexity and understandability of net asset classifications, the deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between nonprofit entities. A key change required by ASU 2016-14 is the presentation of the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. A footnote on liquidity has also been added (See Note 7).

#### **NOTE 2 – CASH**

Family Road maintains four bank accounts at the same financial institution. The cash in this institution is maintained in demand deposit accounts. Family Road's unreconciled cash balance per bank as of June 30, 2019 was \$56,984. Family Road's deposits are fully insured by the Federal Deposit Insurance Corporation (FDIC) as they are below the maximum insured amount of \$250,000.

#### **NOTE 3 – NOTES PAYABLE**

On January 1, 2005, the Organization paid Woman's Hospital \$40,000 and signed a promissory note for \$582,559 to consolidate the Organization's original debt due to Woman's Hospital and the Baton Rouge Area Foundation along with additional amounts loaned to the Organization for operating costs. The Organization began making monthly payments on this debt on June 1, 2005. During the year ended September 30, 2019, Woman's Hospital informed the Organization the balance of the note had been forgiven.

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

**NOTES TO FINANCIAL STATEMENTS**

The Organization received \$427,250 as part of a loan agreement with the Office of Community Development during the year ended September 30, 2010 which was used for the purchase of the building occupied by Family Road. An additional \$5,132 was received during the year ended September 30, 2011 and finally \$117,618 was received during the year ended September 30, 2013. This is a principal only loan with a term of 10 years. The repayment terms of the note will be forgiven on a straight-line basis over the life of the loan in accordance with the grant terms. During the year ended September 30, 2019, \$55,000 was forgiven on the loan.

A summary of long-term debt at September 30, 2019 is as follows:

	<u>Amount</u>
Community Development Block Grant (CDBG) loan; 10 years at 0%, forgivable, secured by building	\$ 85,384
Total long-term debt	\$ 85,384
Less: current portion	<u>(55,000)</u>
Long term debt, net of current portion	<u>\$ 30,384</u>

Assuming the remaining CDBG loan will be forgiven as scheduled, total scheduled debt payments during the years ending September 30 are as follows:

	<u>Amount</u>
2020	55,000
2021	<u>30,384</u>
Total	<u>\$ 85,384</u>

**NOTE 4 – DONATED MATERIALS**

The Organization received various contributions of materials to be used both within the program and to be distributed to clients without charge during the year ended September 30, 2019. These contributions have been recorded as revenue with an offsetting entry recorded to expense. The value of donated material received during the year ended September 30, 2019 was \$41,930, and consisted mainly of diapers, formula, baby and children's clothing, and various items of infant related equipment.

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 – CONTRIBUTED SERVICES**

During the year ended September 30, 2019, the total value of contributed services meeting the requirements for recognition in the financial statements was \$57,420. Contributed services represent volunteer hours worked by various social workers, nutritionists, and other professionals.

**NOTE 6 – PENSION PLAN**

All employees, 18 years of age or older, are eligible to participate in the Employee Retirement Savings Plan at the date of hire. Employees may make voluntary contributions of up to 25% of their pay, up to \$18,000 per year. There currently is no match requirement for the Organization under this plan.

**NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization's financial assets that are available for use within one year of the statement of net position date for general expenses consist of cash of \$9,638 and accounts receivable of \$67,326.

As part of the Organization's liquidity management, Family Road structures its financial assets to be available as general expenditures, liabilities and other obligations come due.

**NOTE 8 – SUBSEQUENT EVENTS**

Management of Family Road of Greater Baton Rouge, Inc. has evaluated subsequent events through March 26, 2020, the date that the financial statements were available to be issued and has determined that no events have occurred that require disclosure.

**John L. McKowen**  
Certified Public Accountant

2178 Myrtle Avenue  
Baton Rouge, Louisiana 70806

Office (225) 615-7844  
jlmckowen@cox.net

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

To the Board of Directors  
Family Road of Greater Baton Rouge, Inc.  
Baton Rouge, Louisiana

I 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 Family Road of Greater Baton Rouge, Inc. (Family Road or the Organization), a Louisiana non-profit corporation, which comprise the statement of financial position as of September 30, 2019 and the related statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 26, 2019.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Family Road's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Family Road's internal control. Accordingly, I do not express an opinion on the effectiveness of Family Road'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 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 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Member**  
*American Institute of Certified Public Accountants  
Society of Louisiana Certified Public Accountants*

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Family Road's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

A handwritten signature in blue ink that reads "John L. McKowen, CPA". The signature is fluid and cursive, with the letters "J", "L", and "M" being particularly prominent.

John L. McKowen, CPA  
Baton Rouge, Louisiana  
March 26, 2020

**John L. McKowen**  
Certified Public Accountant

2178 Myrtle Avenue  
Baton Rouge, Louisiana 70806

Office (225) 615-7844  
jlmckowen@cox.net

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

To the Board of Directors  
Family Road of Greater Baton Rouge, Inc.  
Baton Rouge, Louisiana

**Report on Compliance for its Major Federal Program**

I have audited Family Road of Greater Baton Rouge, Inc.'s (Family Road or the Organization), (a Louisiana non-profit corporation) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of Family Road's major federal programs for the year ended September 30, 2019. Family Road's major federal program is 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***

My responsibility is to express an opinion on compliance for each of Family Road's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I 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 Family Road's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Family Road's compliance.



### ***Opinion on its Major Federal Program***

In my opinion, Family Road, 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 September 30, 2019.

### **Report on Internal Control over Compliance**

Management of Family Road is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Family Road'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, I do not express an opinion on the effectiveness of the Family Road'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.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my 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.



John L. McKowen, CPA  
Baton Rouge, Louisiana  
March 26, 2020

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year ended September 30, 2019

Federal Grantor/Pass-Through-Grantor Program Title	Grant Number	CFDA Number	Federal Expenditures
<b><u>U.S. Department of Health and Human Services</u></b>			
Passed through			
Health Resources and Services Administration			
Maternal and Child Health Bureau:			
Healthy Start Program	H49MC00107	93.926E	\$ 760,815
Passed through			
Centers for Medicare and Medical Services:			
<b>Total U.S. Department of Health and Human Services</b>			<u>760,815</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Passed through			
City of Baton Rouge – Parish of East Baton Rouge			
Office of Community Development			
Community Development Block Grant (loan)	N/A	14.218	<u>140,384</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 901,199</u>

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**

Baton Rouge, Louisiana

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year ended September 30, 2019

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Family Road of Greater Baton Rouge, Inc. and is presented on the modified 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 for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from the amounts presented in the preparation of the basic financial statements.

**NOTE B – RECONCILIATION OF EXPENSES TO FEDERAL EXPENDITURES**

Total expenses	\$1,225,910
Non-cash adjustment – depreciation	(29,364)
Non-cash adjustment – donated service and materials	(99,350)
Non-federal expenditures	<u>(336,381)</u>
Total Federal Expenditures	<u>760,815</u>

**NOTE C – FORGIVABLE LOAN**

The Organization received \$427,250 as part of a loan agreement with the City of Baton Rouge – Parish of East Baton Rouge, Office of Community Development during the year ended September 30, 2010 which was used for the purchase of the building occupied by Family Road. An additional \$5,132 was received during the year ended September 30, 2011 for building improvements and finally \$117,618 was received during the year ended September 30, 2013 for a total of \$550,000. This is a principal only loan with a term of 10 years. The repayment terms of the note will be forgiven on a straight-line basis over the life of the loan in accordance with the grant terms. During the year ended September 30, 2019, \$55,000 was forgiven on the loan.

**NOTE D – DE MINIMUS COST RATE**

During the year ended September 30, 2019, the Organization elected to use the 10% de minimus cost rate as covered in Section 200.414 of the Uniform Guidance.

**NOTE E – AMOUNTS PASSED THROUGH TO SUBRECIPIENTS**

During the year ended September 30, 2019, the Organization did not pass through any federal funding to subrecipients.

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year ended September 30, 2019

**SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements*

Type of auditor's report issued: Unmodified Opinion, Going Concern

- |   |    |
|---|----|
| • Material weakness(es) identified?   | No |
| • Significant deficiency(ies) identified that are not considered to be material weaknesses? | No |
| • Noncompliance material to financial statements noted?                                     | No |

*Federal Awards*

- |   |    |
|---|----|
| • Material weakness(es) identified?   | No |
| • Significant deficiency(ies) identified that are not considered to be material weaknesses? | No |

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?	No
---	----

The programs tested as major programs include: Healthy Start Program	CFDA #93.926E
---	---------------

- The threshold for distinguishing Types A and B programs was program expenditures equal to or exceeding \$750,000.
- Family Road of Greater Baton Rouge, Inc. did not qualify as a low-risk auditee.

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana  
**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
Year ended September 30, 2016

**FINDINGS AND QUESTIONED COSTS – Financial Statement Audit**

None noted.

**FINDINGS AND QUESTIONED COSTS – Major Federal Award Programs**

None noted.

**FAMILY ROAD OF GREATER BATON ROUGE, INC.**  
Baton Rouge, Louisiana  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO  
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**AGENCY HEAD NAME: Dena Christy**

Ms. Christy received the following compensation, benefits or other payments derived from public (governmental) funds which require disclosure in accordance with La. R.S. 24:513(A)(3).

<b>PURPOSE</b>	<b>AMOUNT</b>
Salary	\$26,147
Fringe benefits	6,537
Travel	<u>1,712</u>
Total	\$34,396

**John L. McKowen**  
Certified Public Accountant

2178 Myrtle Avenue  
Baton Rouge, Louisiana 70806

Office (225) 615-7844  
jlmckowen@cox.net

**FAMILY ROAD OF GREATER BATON ROUGE, INC.  
INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED UPON PROCEDURES  
YEAR ENDED SEPTEMBER 30, 2019**

To the Board of Directors  
Family Road of Greater Baton Rouge, Inc.  
Baton Rouge, Louisiana

I have performed the procedures enumerated below, which were agreed to by Family Road of Greater Baton Rouge, Inc. (Family Road) and the Louisiana Legislative Auditor (LLA) on the control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures for the fiscal period October 1, 2018 through September 30, 2019. Family Road's management is responsible for those control and compliance areas identified in the LLA's Statewide Agreed-Upon Procedures.

This agreed-upon procedures engagement was performed 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, I 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.

I was 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 LLA's Statewide Agreed-Upon Procedures. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my 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 LLA's Statewide Agreed-Upon Procedures, and the results of that testing, and not to provide an opinion on control and 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.



John L. McKowen, CPA

Baton Rouge, Louisiana  
March 26, 2020



## ***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 (if applicable to public funds and the entity's operations):

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

*The Organization's written policies and procedures adequately address budgeting.*

- 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.

*The Organization's written policies and procedures adequately address purchasing.*

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

*The Organization's written policies and procedures adequately address disbursements.*

- 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 (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).

*The Organization's written policies and procedures adequately address receipts/collections.*

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

*The Organization's written policies and procedures adequately address payroll/personnel.*

- 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

*The Organization's written policies and procedures adequately address contracting.*

- 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)

*The Organization's written policies and procedures adequately address credit card usage.*

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

*The Organization's written policies and procedures adequately address travel and expense reimbursement.*



- 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.

*Not applicable.*

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

*Not applicable.*

- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) *The Organization's written policies and procedures adequately address disaster recovery/business continuity.*

#### ***Board or Finance Committee***

---

*There were no exceptions in the prior year; therefore, board minutes were not tested in the current year.*

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

### ***Bank Reconciliations***

---

*There were no exceptions in the prior year; therefore, bank reconciliations were not tested in the current year.*

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

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

*There was evidence for each of the Organization's bank accounts selected that reconciliations were prepared within 2 months of the related closing date.*

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

*Evidence existed that a member of management without the above involvement reviewed the bank reconciliation.*

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

*The operating account had several small reconciling items outstanding for more than 12 months. Management will investigate.*

### ***Collections (excluding EFTs)***

---

*There were no exceptions in the prior year; therefore, collections were not tested in the current year.*

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
  7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
    - a) Observe that receipts are sequentially pre-numbered.
    - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
    - c) Trace the deposit slip total to the actual deposit per the bank statement.
    - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
    - e) Trace the actual deposit per the bank statement to the general ledger.

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

---

*There were no exceptions in the prior year; therefore, non-payroll disbursements were not tested in the current year.*

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

---

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

---

*There were no exceptions in the prior year; therefore, credit cards were not tested in the current year.*

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
- 13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should

describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

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

*There were no exceptions in the prior year; therefore, travel and travel related expense reimbursements were not tested in the current year.*

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 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](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - 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).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

#### **Contracts**

*There were no exceptions in the prior year; therefore, contracts were not tested in the current year.*

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and:
  - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

---

*There were no exceptions in the prior year; therefore, payroll and personnel were not tested in the current year.*

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

### ***Ethics***

---

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*Not applicable.*

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

*Not applicable.*

#### ***Debt Service***

---

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

*Not applicable.*

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

*Not applicable.*

#### ***Other***

---

23. 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.

*Management represents that there were no misappropriations during the fiscal year.*

24. 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.

*The Organization has the notice required by R.S. 24:523.1 posted on both its premises and website.*