

**YOUTH SERVICE BUREAU OF ST. TAMMANY  
(A NONPROFIT ORGANIZATION)**

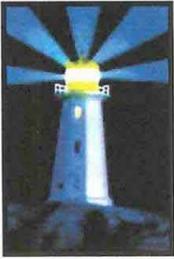
**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED JUNE 30, 2018**

# YOUTH SERVICE BUREAU OF ST. TAMMANY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Youth Service Bureau of St. Tammany  
Covington, Louisiana

We have audited the accompanying financial statements of Youth Service Bureau of St. Tammany (a Louisiana nonprofit Organization), which comprise the statement of financial position as of June 30, 2018 and the related statement of activities, functional expenses, cash flows and changes in net assets

### *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. 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 Youth Service Bureau of St. Tammany as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statements of Functional Expense – St. Tammany Parish, Statements of Functional Expense – Washington Parish, Schedule of FINSAP Funds, Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer on pages 19-22 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2018, on our consideration of Youth Service Bureau's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Youth Service Bureau's internal control over financial reporting and compliance.

## ***Prior Period Financial Statements***

The financial statements of Youth Service Bureau of St. Tammany as of June 30, 2017, were audited by other auditors whose report dated November 9, 2017, expressed an unmodified opinion on those statements.

## ***Other Matter***

As part of our audit of the 2018 financial statements, we also audited the adjustments described in Note 12 that were applied to restate the 2017 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2017 financial statements of the Bureau other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2017 financial statements as a whole.

*Bernard & Franks*

Metairie, Louisiana

November 28, 2018

YOUTH SERVICE BUREAU OF ST. TAMMANY

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2018

ASSETS

	<u>2018</u>
CURRENT ASSETS	
Cash and cash equivalents	\$ 244,874
Receivables-grants and contributions	143,670
Unconditional promises to give-United Way	83,354
Prepaid expenses	<u>60,868</u>
Total current assets	<u>\$ 532,766</u>
PROPERTY AND EQUIPMENT	
Land and buildings	\$ 919,946
Furniture and equipment	61,339
Building improvements	1,090,166
Less accumulated depreciation and amortization	<u>(589,872)</u>
Total property and equipment	<u>\$ 1,481,579</u>
Total Assets	<u><u>\$ 2,014,345</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	\$ 40,039
Deferred revenue	1,203
Accumulated employee leave payable	53,205
Payroll liabilities	<u>177</u>
Total Current Liabilities	<u>\$ 94,624</u>
NET ASSETS	
Unrestricted	\$ 1,836,367
Temporarily restricted	<u>83,354</u>
Total Net Assets	<u>\$ 1,919,721</u>
Total Liabilities and Net Assets	<u><u>\$ 2,014,345</u></u>

See Notes to Financial Statements

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Government grants and contracts	\$ 1,017,495	\$ -	\$ 1,017,495
Program service fees	52,370	-	52,370
Contributions	173,382	-	173,382
United Way Allocation	-	75,000	75,000
United Way Designations	-	8,354	8,354
Fundraising events	279,977	-	279,977
Interest income	223	-	223
Gain on endowment	506	-	506
Board generated revenue	30,718	-	30,718
Other income	5,810	-	5,810
Net assets released from restrictions:			
Expiration of time restriction	85,537	(85,537)	-
	<u>\$ 1,646,018</u>	<u>\$ (2,183)</u>	<u>\$ 1,643,835</u>
<b>EXPENSES</b>			
Program services	\$ 1,384,236	\$ -	\$ 1,384,236
Supporting services			
General and administrative	284,998	-	284,998
Fund-raising	77,131	-	77,131
	<u>\$ 1,746,365</u>	<u>\$ -</u>	<u>\$ 1,746,365</u>
Increase (decrease) in net assets	<u>\$ (100,347)</u>	<u>\$ (2,183)</u>	<u>\$ (102,530)</u>

See Notes to Financial Statements

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018**

	Program Services			
	CASA	Crossroads	FINS	Options
Compensation and related expenses				
Compensation	\$ 311,378	\$ 150,849	\$ 166,985	\$ 95,618
Employee Benefits				
Health	29,400	21,135	26,693	8,229
Other	2,285	1,487	1,530	585
Workers' compensation	5,346	2,473	2,659	1,535
Payroll taxes	22,950	10,469	11,746	6,763
	<u>\$ 371,359</u>	<u>\$ 186,413</u>	<u>\$ 209,613</u>	<u>\$ 112,730</u>
Travel	\$ 16,801	\$ 6,516	\$ 3,632	\$ 2,414
Insurance				
Directors and officers	556	296	337	296
Community service workers	531	177	209	145
Occupancy	13,500	7,193	8,189	7,193
Equipment rental and service	1,081	576	655	576
Occupancy				
Building maintenance and repairs	14,330	7,238	8,240	7,238
Rent	4,700	-	4,700	-
Utilities	9,414	3,845	4,381	3,845
Special events				
Chef Soiree and Other events	-	-	-	-
Professional fees	8,180	7,597	3,391	2,397
Dues, subscriptions, publications and ads	2,543	132	250	1,297
Drug screens and lab fees	-	1,093	149	1,373
Postage and delivery	1,474	249	435	131
Printing and production	3,412	265	315	30
Supplies	12,940	3,837	7,876	1,759
Telephone	7,613	4,056	4,613	4,056
Depreciation and amortization	17,112	5,704	7,778	5,704
Miscellaneous	-	-	-	-
	<u>\$ 485,546</u>	<u>\$ 235,187</u>	<u>\$ 264,763</u>	<u>\$ 151,184</u>

Program Services		Supporting Services		
TASC	Total	General and Administrative	Fundraising	Total
\$ 146,646	\$ 871,476	\$ 200,011	\$ 24,613	\$ 1,096,100
37,683	123,140	40,462	-	163,602
1,384	7,271	1,993	-	9,264
2,556	14,569	4,221	-	18,790
10,018	61,946	15,980	1,892	79,818
<u>\$ 198,287</u>	<u>\$ 1,078,402</u>	<u>\$ 262,667</u>	<u>\$ 26,505</u>	<u>\$ 1,367,574</u>
\$ 2,068	\$ 31,431	\$ 2,608	\$ -	\$ 34,039
337	1,822	-	-	1,822
306	1,368	242	-	1,610
8,189	44,264	-	-	44,264
655	3,543	-	-	3,543
8,240	45,286	-	-	45,286
4,700	14,100	-	-	14,100
4,377	25,862	-	-	25,862
-	-	-	50,626	50,626
3,058	24,623	736	-	25,359
150	4,372	1,579	-	5,951
-	2,615	-	-	2,615
549	2,838	234	-	3,072
263	4,285	-	-	4,285
3,911	30,323	5,953	-	36,276
4,688	25,026	-	-	25,026
7,778	44,076	7,778	-	51,854
-	-	3,201	-	3,201
<u>\$ 247,556</u>	<u>\$ 1,384,236</u>	<u>\$ 284,998</u>	<u>\$ 77,131</u>	<u>\$ 1,746,365</u>

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**STATEMENTS OF CASH FLOWS  
YEAR ENDED JUNE 30, 2018**

	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Increase (decrease) in net assets	\$ (102,530)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	51,854
(Increase) decrease in operating assets:	
Unconditional promises to give	2,183
Receivables-grants and contributions	(34,169)
Prepaid expenses	9,828
Increase (decrease) in operating liabilities:	
Accounts payable	(37)
Deferred revenue	(21,377)
Accumulated employee leave payable	(6,582)
Payroll liabilities	(1,034)
Net cash provided by operating activities	\$ (101,864)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
(Increase) decrease in restricted cash	\$ (641)
Purchases of property and equipment	(18,159)
Decrease in cash from investing activities	\$ (18,800)
Net decrease in cash and cash equivalents	\$ (120,664)
Beginning cash and cash equivalents	362,840
Ending cash and cash equivalents	\$ 242,176

See Notes to Financial Statements

**YOUTH SERVICE BUREAU OF ST. TAMMANY PARISH**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net assets-June 30, 2017	\$ 1,947,251	\$ -	\$ 1,947,251
Prior period adjustments:			
Correction of promise to give	<u>(10,537)</u>	<u>85,537</u>	<u>75,000</u>
Net assets-July 1, 2017	1,936,714	85,537	2,022,251
Decrease in net assets	<u>(100,347)</u>	<u>(2,183)</u>	<u>(102,530)</u>
Net assets-June 30, 2018	<u><u>\$ 1,836,367</u></u>	<u><u>\$ 83,354</u></u>	<u><u>\$ 1,919,721</u></u>

# YOUTH SERVICE BUREAU OF ST. TAMMANY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of the Bureau

Youth Service Bureau of St. Tammany (Bureau) is a nonprofit Bureau established in 1981 and currently serves the St. Tammany and Washington parishes. The Youth Service Bureau provides advocacy, counseling, education, and intervention for at-risk youth and their families, helping them reach their full potential.

The Bureau's major programs include the following:

*Court Appointed Special Advocates (CASA)* volunteers are trained volunteers who help judges find safe and permanent homes for abused and neglected children in state custody. CASA volunteers focus on one child or sibling group at a time and represent the best interest of the child. Volunteer advocates offer judges critical information to ensure that each child's rights and needs are being attended to while in foster care. During the fiscal year 2017-2018, 282 children were served by 117 CASA volunteers through Youth Service Bureau, and 15 new CASA volunteers were trained and sworn-in.

*Crossroads* is a juvenile delinquency intervention program that offers non-violent offenders the opportunity to choose a new direction while holding them accountable for their actions. Case managers leverage a Balanced and Restorative Justice Model to encourage responsibility while maintaining a focus on victims and families. There were 577 clients assisted during the 2017-2018 fiscal year, an increase of 25% from the previous year. Case managers oversee community service requirements and victim restitution where appropriate. Clients are supported through group classes that teach internet safety, law related education, anger management, and drivers' improvement. Clients are further supported through parental training and referrals for counseling when appropriate.

*Families in Need of Services (FINS)* is a delinquency prevention program that focuses on helping youth and families to remedy self-destructive behavior through education and family counseling. There were 226 clients assisted through FINS during the 2017-2018 fiscal year. FINS case managers encourage positive parental involvement and improves skills to counter ungovernable behavior.

*Options* is a clinical substance abuse treatment program that provides family focused licensed outpatient treatment for adolescents who are experiencing problems with alcohol and or drugs. Assessment and treatment was provided for 185 clients during the 2017-2018 fiscal year.

*Truancy Assessment and Service Center (TASC)* is a truancy reduction program that provides resources and support to children and their families for children from the grades of Kindergarten through 5<sup>th</sup> grade. Truancy intervention was provided for 555 students during fiscal year 2017-2018.

YOUTH SERVICE BUREAU OF ST. TAMMANY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Basis of Accounting

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States on the accrual basis of accounting in accordance with generally accepted accounting principles and, accordingly, reflect all significant receivables, payables, and other assets and liabilities.

Financial Statement Presentation

The Bureau follows the financial statement presentation recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Bureau is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. The Bureau has no permanently restricted net assets. In addition, the Bureau is required to present a statement of cash flows.

Use of 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.

Income Taxes

The Bureau is a nonprofit Bureau and exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Bureau's Forms 990, *Return of Bureau Exempt from Income Tax*, for the years ending 2016, 2017, and 2018 are subject to examination by the IRS, generally for three years after they were filed.

Cash and Cash Equivalents

Cash consists of unrestricted balances which are available for general operating purposes. For the purpose of cash flows, the Bureau considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Restricted cash and cash equivalents are limited in use to payment of costs for building improvements.

YOUTH SERVICE BUREAU OF ST. TAMMANY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Depreciation

Property, furniture, equipment and leasehold improvements are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, approximately five to seven years for furniture and equipment and forty years for real property and leasehold improvements. Donations of property and equipment are recorded at the estimated fair market value on the date of donation. These assets are recorded as unrestricted net assets unless the donor imposes a restriction.

Receivables

The receivables are stated at the amount management expects to collect from outstanding balances. The financial statements do not include an estimate for allowance for doubtful accounts. Management believes that all receivables are collectible.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Bureau that is, in substance, unconditional. Contributions that are 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 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 to unrestricted net assets. The Bureau believes that the unconditional promises to give are collectible and therefore has not included an allowance for uncollectible promises.

Employee Vacation Benefits

Employee vacation benefits are accrued and expensed in the period earned by the employee.

Deferred Revenue

The Bureau is the recipient of grants that require expenditure for specified activities before the Bureau is reimbursed by the grantor for the costs incurred. Documentation showing actual costs expended is included when submitting a monthly or quarterly report for reimbursement. Certain grantors pay in advance of incurring the specified costs; in those cases, the amount received in excess of amounts spent on reimbursable costs is reported as deferred revenue.

YOUTH SERVICE BUREAU OF ST. TAMMANY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Concentrations

Approximately 64% of the Bureau's support is grants received from state and local government agencies. Fundraising events make up 19% of total revenue and the United Way is responsible for 6% of the support. The remaining revenue is obtained through contributions, program service fees and investment income.

Functional Allocation of Expenses

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

Pending Accounting Pronouncements

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which simplifies and improves how a nonprofit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance and cash flows. Among other changes, the ASU replaces the three current classes of net assets with two new classes, net assets with donor restrictions and net assets without donor restrictions, and expands disclosures about the nature and amount of any donor restrictions. ASU 2016-14 is effective for annual periods beginning after December 15, 2017, with early adoption permitted. Management is currently evaluating the impact the adoption of this guidance will have on its financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lessees to recognize right-of-use assets and lease liabilities for all leases with terms longer than 12 months. The ASU is effective for the Organization for the year ending December 15, 2019. The adoption of this standard is expected to result in the Organization's recognizing right-of-use assets and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on the Organization's financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU amends the existing accounting standards for revenue recognition, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method.

YOUTH SERVICE BUREAU OF ST. TAMMANY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Pending Accounting Pronouncements (Continued)

In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. The Organization has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements.

**NOTE 2. CONCENTRATIONS OF CREDIT RISK**

The Bureau maintains several bank accounts at various banks located in Covington, Louisiana. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at these institutions did not exceed FDIC limits at June 30, 2018.

**NOTE 3. UNCONDITIONAL PROMISE TO GIVE**

At June 30, 2018, the Youth Service Bureau of St. Tammany entered into an agreement with United Way in which United Way promised to give funds to be used as follows:

Operations for the year ended June 30, 2019	<u>\$ 83,354</u>
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The unconditional promise to give is receivable in one year or less. The receivable is deemed to be fully collectible by management, therefore no allowance for uncollectible amounts is considered necessary at year end.

**NOTE 4. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

	<u>2018</u>
Land	\$ 101,000
Buildings	818,946
Building improvements	1,090,166
Furniture and equipment	61,339
	<u>\$ 2,071,451</u>
Less accumulated depreciation	(589,872)
Total	<u>\$ 1,481,579</u>

For the year ended June 30, 2018, depreciation expense was \$51,854.

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018**

**NOTE 5. DEFERRED REVENUE**

The Organization had unearned grant revenue of \$1,203, for the year ended June 30, 2018.

**NOTE 6. LINE OF CREDIT**

The Bureau has a \$350,000 line of credit bearing interest at a rate of 4.50%, and is secured by a collateral real estate mortgage. As of June 30, 2018, \$350,000 is available. There was no interest expense for the year ended June 30, 2018.

**NOTE 7. COMPENSATED ABSENCES**

First year employees may accrue two weeks of personal leave that begins after two weeks of employment. Employees may begin to use the personal leave after ninety days of continuous employment. Three weeks of leave are then available to employees who have been employed two to five years. After five years of employment, employees may accrue four weeks of personal leave per year. Personal leave is used to cover sick and vacation leave as well. Employees may accrue up to 150 hours of personal leave per year. Any balance greater than 150 hours, will be rolled into the employee's sick leave. Accumulated personal leave was \$53,205 for the year ended June 30, 2018.

**NOTE 8. TEMPORARILY RESTRICTED NET ASSETS**

At June 30, 2018 the Bureau had \$83,354 in temporarily restricted net assets. The United Way funds are restricted for use in various programs in the subsequent year and are comprised of the following:

	2018
United Way allocation	\$ 75,000
United Way designation	8,354
Total	<u>\$ 83,354</u>

United Way funds are to be used in operations in the year following the unconditional promise.

**NOTE 9. RETIREMENT PLAN**

The Bureau has a 401(k) retirement plan covering all employees of the Bureau who have completed the service requirements. The plan allows employees to contribute the maximum amount allowed by the Internal Service Code. The Bureau may make a discretionary contribution to the plan annually. The Bureau elected not to make any contributions for the year ended June 30, 2018.

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018**

**NOTE 10. OPERATING LEASES**

The Bureau leases its Franklinton office facilities under a lease that requires monthly payments of \$1,000 and utility payments of \$200 beginning on August 1, 2018 and ending on August 2020.

The Bureau also has a lease agreement with the City of Covington for \$1 per year. The lease covers a portion of land owned by the City of Covington located at the Covington office.

Total rental expense for these facilities for the year ended June 30, 2018 was \$14,001.

The Bureau leases a portion of its Slidell office space to a tenant under a noncancelable operating lease with a term of two years beginning on August 1, 2018 and ending on August 31, 2020. The first month of rent is free. The tenant is also responsible for an additional agreed upon amount for utilities phone and internet. The following is a schedule of future minimum rental under the lease at June 30, 2018:

2019	\$	12,000
2020		14,400
2021		2,400
	\$	<u>28,800</u>

**NOTE 11. BOARD DESIGNATED**

The Board of Directors has established a goal of maintaining a “prudent reserve” of approximately three months expenditures in a board designated cash account. At June 30, 2018, no net assets have been designated for this purpose by the Board.

**NOTE 12. PRIOR PERIOD ADJUSTMENT**

Unrestricted and temporarily restricted net assets were adjusted at the beginning of 2017 due to an accounting error with grant revenue and a promise to give. Unrestricted net assets were decreased by \$10,537 and temporarily restricted net assets were increased by \$85,537. The cumulative effect on total net assets was an increase of \$75,000.

**NOTE 13. SUBSEQUENT EVENTS**

Management has evaluated subsequent events affecting the Bureau through November 28, 2018, which is the date the financial statements were available to be issued. All disclosures considered necessary are made in the financial statements.



**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  
Youth Service Bureau of St. Tammany  
Covington, 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 Youth Service Bureau (a nonprofit Bureau), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 28, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Youth Service Bureau'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 Youth Service Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bureau's internal control.

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bureau'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 Bureau's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bernard & Franks*

Metairie, Louisiana  
November 28, 2018

**YOUTH SERVICE BUREAU OF ST. TAMMANY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2018**

**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements of Youth Service Bureau of St. Tammany.
2. There were no significant deficiencies or material weaknesses reported.
3. No instances of noncompliance material to the financial statements of Youth Service Bureau of St. Tammany were disclosed during the audit.
4. No management letter was issued.
5. Youth Service Bureau of St. Tammany did not exceed over \$750,000 of federal awards for the year ended June 30, 2018; therefore, Youth Service Bureau of St. Tammany was not subject to OMB Circular A-133.
6. The dollar threshold used to distinguish between Type A and Type B programs was not applicable for the year ended June 30, 2018.
7. The qualification of low or high-risk auditee was not applicable to Youth Service Bureau of St. Tammany because the Bureau was not subject to OMB Circular A-133.

**FINDINGS-FINANCIAL STATEMENTS**

There were no findings in the year ended June 30, 2018.

**FINDINGS-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

This is not applicable to the Bureau for the year ended June 30, 2018.

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2018**

There were no prior year findings.

**SUPPLEMENTARY INFORMATION**

**YOUTH SERVICE BUREAU OF ST. TAMMANY  
UNITED WAY PURPOSES FOR ST. TAMMANY PARISH  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018**

	Program Services						Supporting Services		
	CASA	Crossroads	FINS	Options	TASC	Total	General and Administrative	Fundraising	Total
Compensation and related expenses									
Compensation	\$ 213,117	\$ 150,849	\$ 109,938	\$ 95,618	\$ 87,214	\$ 656,736	\$ 150,808	\$ 18,463	\$ 826,007
Employee Benefits									
Health	20,124	21,135	17,574	8,229	22,415	89,477	30,508	-	119,985
Other	1,597	1,487	1,005	585	825	5,499	1,503	-	7,002
Workers' compensation	3,660	2,473	1,751	1,535	1,522	10,941	3,183	-	14,124
Payroll taxes	15,708	10,469	7,733	6,763	5,959	46,632	12,093	1,400	60,125
	<u>\$ 254,206</u>	<u>\$ 186,413</u>	<u>\$ 138,001</u>	<u>\$ 112,730</u>	<u>\$ 117,935</u>	<u>\$ 809,285</u>	<u>\$ 198,095</u>	<u>\$ 19,863</u>	<u>\$ 1,027,243</u>
Travel	\$ 11,323	\$ 6,516	\$ 1,344	\$ 2,414	\$ 932	\$ 22,529	\$ 2,347	\$ -	\$ 24,876
Insurance									
Directors and officers	392	296	242	296	215	1,441	-	-	1,441
Community service workers	386	177	125	145	198	1,031	242	-	1,273
Occupancy	9,516	7,193	5,887	7,193	5,223	35,012	-	-	35,012
Equipment rental and service	997	576	571	576	605	3,325	-	-	3,325
Occupancy									
Building maintenance and repairs	9,958	7,238	3,868	7,238	5,628	33,930	-	-	33,930
Rent	-	-	-	-	-	-	-	-	-
Utilities	7,223	3,845	2,190	3,845	3,068	20,171	-	-	20,171
Special events									
Chef Soiree and Other events	-	-	-	-	-	-	-	38,172	38,172
Professional fees	6,409	7,597	2,368	2,397	1,740	20,511	662	-	21,173
Dues, subscriptions, publications and ads	2,159	132	28	1,297	(136)	3,480	1,421	-	4,901
Drug screens and lab fees	-	1,093	149	1,373	-	2,615	-	-	2,615
Postage and delivery	1,179	249	290	131	366	2,215	211	-	2,426
Printing and production	2,729	265	210	30	175	3,409	-	-	3,409
Supplies	10,921	3,837	5,446	1,759	3,244	25,207	5,358	-	30,565
Telephone	4,494	4,056	1,494	4,056	2,825	16,925	-	-	16,925
Depreciation and amortization	12,999	4,333	5,909	4,333	5,909	33,483	5,909	-	39,392
Miscellaneous	-	-	-	-	-	-	3,201	-	3,201
	<u>\$ 334,891</u>	<u>\$ 233,816</u>	<u>\$ 168,122</u>	<u>\$ 149,813</u>	<u>\$ 147,927</u>	<u>\$ 1,034,569</u>	<u>\$ 217,446</u>	<u>\$ 58,035</u>	<u>\$ 1,310,050</u>

**YOUTH SERVICE BUREAU OF ST. TAMMANY  
UNITED WAY PURPOSES FOR WASHINGTON PARISH**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018**

	Program Services					Supporting Services			
	CASA	Crossroads	FINS	Options	TASC	Total	General and Administrative	Fundraising	Total
Compensation and related expenses									
Compensation	\$ 98,261	\$ -	\$ 57,047	\$ -	\$ 59,432	\$ 214,740	\$ 49,203	\$ 6,150	\$ 270,093
Employee Benefits									
Health	9,276	-	9,119	-	15,268	33,663	9,954	-	43,617
Other	688	-	525	-	559	1,772	490	-	2,262
Workers' compensation	1,686	-	908	-	1,034	3,628	1,038	-	4,666
Payroll taxes	7,242	-	4,013	-	4,059	15,314	3,887	492	19,693
	<u>\$ 117,153</u>	<u>\$ -</u>	<u>\$ 71,612</u>	<u>\$ -</u>	<u>\$ 80,352</u>	<u>\$ 269,117</u>	<u>\$ 64,572</u>	<u>\$ 6,642</u>	<u>\$ 340,331</u>
Travel	\$ 5,478	\$ -	\$ 2,288	\$ -	\$ 1,136	\$ 8,902	\$ 261	\$ -	\$ 9,163
Insurance									
Directors and officers	164	-	95	-	122	381	-	-	381
Community service workers	145	-	84	-	108	337	-	-	337
Occupancy	3,984	-	2,302	-	2,966	9,252	-	-	9,252
Equipment rental and service	84	-	84	-	50	218	-	-	218
Occupancy									
Building maintenance and repairs	4,372	-	4,372	-	2,612	11,356	-	-	11,356
Rent	4,700	-	4,700	-	4,700	14,100	-	-	14,100
Utilities	2,191	-	2,191	-	1,309	5,691	-	-	5,691
Special events									
Chef Soiree and Other events	-	-	-	-	-	-	-	12,454	12,454
Fund developmental professional									
Professional fees	1,771	-	1,023	-	1,318	4,112	74	-	4,186
Dues, subscriptions, publications and ads	384	-	222	-	286	892	158	-	1,050
Drug screens and lab fees	-	-	-	-	-	-	-	-	-
Postage and delivery	295	-	145	-	183	623	23	-	646
Printing and production	683	-	105	-	88	876	-	-	876
Supplies	2,019	-	2,430	-	667	5,116	595	-	5,711
Telephone	3,119	-	3,119	-	1,863	8,101	-	-	8,101
Depreciation and amortization	4,113	1,371	1,869	1,371	1,869	10,593	1,869	-	12,462
Miscellaneous	-	-	-	-	-	-	-	-	-
	<u>\$ 150,655</u>	<u>\$ 1,371</u>	<u>\$ 96,641</u>	<u>\$ 1,371</u>	<u>\$ 99,629</u>	<u>\$ 349,667</u>	<u>\$ 67,552</u>	<u>\$ 19,096</u>	<u>\$ 436,315</u>

**YOUTH SERVICE BUREAU OF ST. TAMMANY**

**SCHEDULE OF COMPENSATION AND BENEFITS RELATED  
TO FINSAP FUNDS-REQUIRED BY GRANTOR**

**JUNE 30, 2018**

Compensation and benefits	
Case managers	\$ 34,475
Program assistant	7,175
Benefits	<u>10,596</u>
Total compensation and benefits	\$ 52,246
Rent	3,764
Insurance	<u>5,562</u>
Total FINSAP funds	<u><u>\$ 61,572</u></u>

YOUTH SERVICE BUREAU OF ST. TAMMANY

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED JUNE 30, 2018

<u>Agency Head Name:</u>	<u>Mary Slazer</u>
Salary	\$ 80,000
Benefits-Insurance, health	13,855
Benefits-Insurance, life	647
	<u>\$ 94,502</u>

**LOUISIANA COMPLIANCE QUESTIONNAIRE**  
**(For Audit Engagements of Quasi-Public Agencies)**

NOVEMBER 28, 2018 (Date Transmitted)

Bernard & Franks, A Corporation of CPA's (CPA Firm Name)  
4141 Veterans Blvd., Suite 313 (CPA Firm Address)  
Metairie, LA 70002 (City, State Zip)

In connection with your audit of our financial statements as of June 30, 2018 and for the year then ended (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of September 17, 2018 (date completed/date of the representations).

**PART I. Agency Profile**

1. Name and address of the organization.

Youth Service Bureau of St. Tammany  
430 N. New Hampshire  
Covington, LA 70433

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

Ed Pribyl, Chair, June 2018, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Ramey Schneider, Vice-Chair, Feb 2018, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Sharon Drucker, Secretary, June 2020, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Howard Vollenweider, Treasurer, June 2020, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Paul Ballard, Board, June 2018, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Kelly Brian, Board, June 2020, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Laura Brown, Board, June 2019, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Tina Flick, Board, June 2019, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Becky Jo Hollen, Board, June 2020, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Darrell Marcev, Board, June 2020, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Regina McDowell, Board, June, 2018 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Hiral Patel, Board, June 2019, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Wendy Perrette, Board, June 2018, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
John Wyble, Board, June 2019, 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Mary Slazer, CEO 430 N. New Hampshire, Covington LA 70433 (985) 893-2570  
Pam Ousterhout CFO 430 N. New Hampshire, Covington LA 70433 (985) 893-2570

3. Period of time covered by this questionnaire.

7/1/17-6/30/18

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

RS 12:201 (7)

5. Briefly describe the public services provided.

The Youth Service Bureau provides advocacy, counseling, education, and intervention for at-risk youth and their families, helping them reach their full potential.

6. Expiration date of current elected/appointed officials' terms.

See #2 above

**Part II. Federal, State, and Local Awards**

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes  No

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes  No

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes  No

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes  No

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes  No

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes  No

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes  No

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes  No

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes  No

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes  No

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes  No

None

**Part III. Public Records**

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes  No

Not applicable

**Part IV. Open Meetings**

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication “Open Meeting FAQs,” available on the Legislative Auditor’s website to determine whether a non-profit agency is subject to the open meetings law.**

Yes  No

Not applicable

**Part V. Budget**

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes  No

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No

**Part VI. Reporting**

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes  No

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes  No

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes  No

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

Sharon O. Strickun Secretary 11/28/18 Date  
Howard P. Anderson Treasurer 11/28/18 Date  
[Signature] President 11/28/18 Date