

The Haven, Inc.
Financial Statements
and Independent Auditor's Report
June 30, 2017

The Haven, Inc.

Financial Statements and Independent Auditor's Report
As of and for the Year Ended
June 30, 2017

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**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified Public Accountants
(A Professional Corporation)*

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of The Haven, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

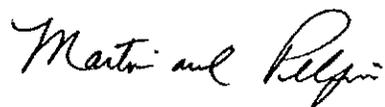
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Haven, Inc. as of June 30, 2017, and the changes in its nets assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to the Executive Director on page 14 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 9, 2017, on our consideration of The Haven, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



Houma, Louisiana
November 9, 2017

FINANCIAL STATEMENTS

The Haven, Inc.
Statement of Financial Position
June 30, 2017

ASSETS

Current assets:

Cash and cash equivalents	\$ 126,917
Investment	64,520
Unconditional promises to give:	
Corporate grants	16,250
Governmental grants	135,527
Prepaid expense	5,763
Total current assets	348,977

Property and equipment, net of accumulated depreciation of \$224,131	612,893
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Deposit	600
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TOTAL ASSETS	\$ 962,470
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LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 1,308
Accrued expenses	3,156
Deferred revenue	10,022
Current maturities of note payable	17,118
Total current liabilities	31,604

Non-current liabilities:

Note payable, less current maturities	157,241
Total liabilities	188,845

Net assets:	757,375
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Unrestricted	16,250
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Temporarily restricted	773,625
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Total net assets	
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TOTAL LIABILITIES AND NET ASSETS	\$ 962,470
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See accompanying notes.

The Haven, Inc.
Statement of Activities
Year Ended June 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES, OTHER SUPPORT, AND RECLASSIFICATION			
Grants:			
Governmental	\$ 438,614	\$ -	\$ 438,614
Corporate	-	67,964	67,964
Contributions	105,817	-	105,817
Fundraising	112,579	-	112,579
In-kind contributions	52,171	-	52,171
Net assets released from restrictions	86,180	(86,180)	-
TOTAL REVENUES, OTHER SUPPORT, AND RECLASSIFICATION	<u>795,361</u>	<u>(18,216)</u>	<u>777,145</u>
FUNCTIONAL EXPENSES			
Program services			
Domestic violence	542,388	-	542,388
Sexual assault	161,471	-	161,471
Management and general	121,319	-	121,319
Fundraising	12,254	-	12,254
TOTAL FUNCTIONAL EXPENSES	<u>837,432</u>	<u>-</u>	<u>837,432</u>
OTHER INCREASES IN NET ASSETS			
Miscellaneous income	3,167	-	3,167
Investment income	245	-	245
TOTAL OTHER INCREASES IN NET ASSETS	<u>3,412</u>	<u>-</u>	<u>3,412</u>
DECREASE IN NET ASSETS	(38,659)	(18,216)	(56,875)
NET ASSETS, BEGINNING OF PERIOD	<u>796,034</u>	<u>34,466</u>	<u>830,500</u>
NET ASSETS, END OF PERIOD	<u>\$ 757,375</u>	<u>\$ 16,250</u>	<u>\$ 773,625</u>

See accompanying notes.

The Haven, Inc.
Statement of Functional Expenses
Year Ended June 30, 2017

	<u>Program Services</u>		<u>Management and</u>		<u>Fundraising</u>	<u>Total</u>
	<u>Domestic Violence</u>	<u>Sexual Assault</u>	<u>General</u>			
Salaries	\$ 334,445	\$ 84,859	\$ 79,868	\$ -	\$ -	\$ 499,172
Health insurance	30,842	7,826	7,365	-	-	46,033
Payroll taxes	27,926	7,086	6,669	-	-	41,681
Insurance	20,892	5,969	2,985	-	-	29,846
Depreciation	18,309	5,231	2,616	-	-	26,156
Client assistance	24,064	-	-	-	-	24,064
Workers' compensation insurance	12,246	3,107	2,924	-	-	18,277
Office supplies	12,192	3,483	1,742	-	-	17,417
Advertising	12,633	4,211	-	-	-	16,844
Food and house supplies	-	14,018	-	-	-	14,018
Rent	10,500	3,500	-	-	-	14,000
Utilities	9,689	3,230	-	-	-	12,919
Accounting fees	-	-	12,636	-	-	12,636
Fundraising	-	-	-	12,254	-	12,254
Interest	-	10,516	-	-	-	10,516
Retirement contributions	6,252	1,586	1,493	-	-	9,331
Telephone	5,923	1,692	846	-	-	8,461
Seminars and conferences	4,005	1,335	-	-	-	5,340
Dues and subscriptions	2,703	772	386	-	-	3,861
Travel and meals	2,747	916	-	-	-	3,663
Repairs and maintenance	2,087	696	-	-	-	2,783
Postage	1,921	549	274	-	-	2,744
Professional fees	1,049	300	150	-	-	1,499
Community education	1,028	343	-	-	-	1,371
Miscellaneous	-	-	1,171	-	-	1,171
Printing and publications	626	159	149	-	-	934
Employee expenses	294	84	42	-	-	420
Bank charges	15	3	3	-	-	21
Total	<u>\$ 542,388</u>	<u>\$ 161,471</u>	<u>\$ 121,319</u>	<u>\$ 12,254</u>	<u>\$ -</u>	<u>\$ 837,432</u>

See accompanying notes.

The Haven, Inc.
Statement of Cash Flows
Year Ended June 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:

Decrease in net assets	\$ (56,875)
Adjustment to reconcile decrease in net assets to net cash flows used in operating activities:	
Depreciation	26,156
Decrease in operating assets:	
Unconditional promises to give	(40,980)
Increase in operating liabilities:	
Accounts payable	503
Accrued expenses	<u>2,860</u>

**NET CASH FLOWS USED IN
OPERATING ACTIVITIES**

(68,336)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	(1,020)
Purchases of investment	<u>(66)</u>

**NET CASH FLOWS USED IN
INVESTING ACTIVITIES**

(1,086)

CASH FLOWS USED IN FINANCING ACTIVITIES:

Principal payments of note payable	<u>(16,417)</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS

(85,839)

BEGINNING CASH AND CASH EQUIVALENTS

212,756

ENDING CASH AND CASH EQUIVALENTS

\$ 126,917

SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid during the year for interest	<u><u>\$ 10,516</u></u>
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See accompanying notes.

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF THE ORGANIZATION

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

B. BASIS OF ACCOUNTING

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

C. CASH AND CASH EQUIVALENTS

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

D. INVESTMENTS

Investments are stated at cost, which approximates market.

E. PROMISES TO GIVE

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

F. BAD DEBTS

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

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

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

G. PROPERTY AND EQUIPMENT

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

H. NET ASSETS

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

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

I. FUNCTIONAL ALLOCATION OF EXPENSES

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

J. ESTIMATES

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

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

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

K. ADVERTISING

Advertising costs are expensed as incurred. Advertising expense totaled \$16,844 for the year ended June 30, 2017.

NOTE 2 – INCOME TAXES

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

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

NOTE 3 – CONCENTRATION OF CREDIT RISK

The Haven, Inc. maintains its cash in one financial institution located in Louisiana. The Federal Deposit Insurance Corporation (FDIC) insures accounts up to \$250,000. As of June 30, 2017, cash balances were fully insured.

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

NOTE 4 – INVESTMENT

The investment in the accompanying financial statements consists of a \$64,520 certificate of deposit. The six month certificate bears interest of 0.20% and includes a penalty for early withdrawal, which would not be material to the financial statements. The certificate matures on August 29, 2017, and every six months thereafter.

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

NOTE 5 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following:

Corporate grants/ United Way for South Louisiana	<u>\$ 16,250</u>
Governmental grants/ Office of the Governor/Department of Social Services	\$ 111,877
Louisiana Foundation Against Sexual Assault, Inc. Rape Prevention Education	9,536
Louisiana Commission on Law Enforcement and Administration of Criminal Justice Sexual Assault Services Program	5,640
Domestic Violence Program	<u>8,474</u>
	<u>\$ 135,527</u>

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

The amount due from United Way for South Louisiana represents the Organization's allocation for the remainder of calendar year 2017 and is temporarily restricted as to the expiration of time restrictions. All other unconditional promises to give are unrestricted.

NOTE 6 – PROPERTY AND EQUIPMENT

A summary of changes in property and equipment follows:

	Balance July 1, 2016	Additions	Retirements	Balance June 30, 2017
Buildings	\$ 752,523	\$ -	\$ -	\$ 752,523
Furniture, fixtures, and equipment	83,481	1,020	-	84,501
	836,004	1,020	-	837,024
Less: accumulated depreciation	(197,975)	(26,156)	-	(224,131)
Total	<u>\$ 638,029</u>	<u>\$ (25,136)</u>	<u>\$ -</u>	<u>\$ 612,893</u>

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

NOTE 7 – NOTE PAYABLE

The Organization owes \$174,359 on a note payable to a bank dated March 14, 2017 with an interest rate of 5.75%, secured by real estate. Monthly principal and interest payments of \$2,225 are due, with a final balloon payment on September 14, 2025.

Maturities of long term debt are as follows:

June 30,		
2018	\$	17,118
2019		18,128
2020		19,198
2021		20,332
2022		21,533
Thereafter		78,050
Total	\$	174,359

NOTE 8 – RESTRICTIONS ON NET ASSETS

The restrictions on net assets as of June 30, 2017 relate to United Way for South Louisiana funding for the remainder of calendar year 2017.

NOTE 9 – GOVERNMENTAL GRANTS

During the year ended June 30, 2017, the Organization recognized grant revenue from the following governmental grantors:

State of Louisiana:		
Office of the Governor/Department of Social Services	\$	309,564
Louisiana Commission on Law Enforcement and Administration of Criminal Justice		100,510
Louisiana Foundation Against Sexual Assault, Inc.		28,540
Total governmental grants	\$	438,614

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

NOTE 10 – CORPORATE GRANTS

During the year ended June 30, 2017, the Organization recognized grant revenue from the following corporate grants:

United Way for South Louisiana	\$ 32,500
IOLTA	<u>35,464</u>
Total corporate grants	<u><u>\$ 67,964</u></u>

NOTE 11 – IN-KIND CONTRIBUTIONS

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

The following is a summary of in-kind contributions for the year ended June 30, 2017:

	<u>Estimated Market Value</u>
Client assistance	\$ 20,100
Equipment	600
Advertising	13,928
Food and house supplies	4,730
Office supplies	<u>12,813</u>
	<u><u>\$ 52,171</u></u>

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

The Haven, Inc.
Notes to Financial Statements
As of and for the Year Ended June 30, 2017

NOTE 12 – FAIR VALUES OF FINANCIAL INSTRUMENTS

The Haven's financial instruments, none of which are held for trading purposes, include cash and cash equivalents, certificate of deposit, unconditional promises to give, accounts payable, and note payable. Management estimates that the fair value of all financial instruments as of June 30, 2017 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

NOTE 13 – RETIREMENT PLAN

The Organization maintains a SIMPLE IRA retirement plan for the benefit of its employees. Under the plan, employees are allowed to contribute up to \$12,500 of their annual salary. Employees over 50 years of age are allowed to contribute an additional \$3,000 annually. It is available to all employees who meet certain compensation criteria (at least \$5,000 in compensation during any two preceding calendar years and are reasonably expected to receive at least \$5,000 in compensation during the current year). Under the provisions of the plan, the Company matches 3% of a participating employee's annual salary. The Organization made matching contributions totaling \$9,331 for the year ended June 30, 2017.

NOTE 14 – LEASE COMMITMENT

The Organization leases the office space from which it conducts its administrative functions under a 24-month operating lease agreement that expires on September 1, 2018. The agreement includes monthly lease payments of \$1,100. Rent expense incurred under this lease was \$11,000 for the year ended June 30, 2017. Minimum future rentals related to this lease equal \$13,200 and \$3,300 for the years ended June 30, 2018 and 2019, respectively.

NOTE 15 – UNCERTAIN INCOME TAXES

The Organization's 2015 tax returns were filed appropriately. As of November 2017, the Organization had not filed its 2016 tax return as the filing due date had been extended to February 15, 2018. The Organization recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The Organization's tax filings are subject to audit by various taxing authorities. The Organization's open audit period is 2013 to 2016. Management has evaluated the Organization's tax position and concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this guidance.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent event through November 9, 2017, and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTAL INFORMATION

The Haven, Inc.
Schedule of Compensation, Benefits, and Other
Payments to the Executive Director
For the Year Ended June 30, 2017

Agency Head Name: Julie Pellegrin, Executive Director

Purpose	Amount
Salary	\$ 93,000
Benefits - insurance	10,461
Benefits - retirement	2,677
Deferred compensation	-
Benefits - other	-
Car allowance/automobile expense	-
Vehicle provided by government	-
Per diem	30
Reimbursements	4,484
Travel	119
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

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

See independent auditor's report.

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified Public Accountants
(A Professional Corporation)*

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

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Haven, Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 9, 2017.

Internal Control Over Financial Reporting

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

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

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

been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2017-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

The Haven's Response to Finding

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. This report is intended solely for the information and use of the Board of Directors, management, others within the Organization, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24.513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Houma, Louisiana
November 9, 2017

OTHER INFORMATION

The Haven, Inc.
Schedule of Findings and Responses
As of and for the Year Ended
June 30, 2017

Section I – Summary of Auditor’s Results

1. The auditor’s report expresses an unmodified opinion on the financial statements of The Haven, Inc.
2. One significant internal control deficiency (see finding 2017-001) was noted during the audit of the financial statements. This significant control deficiency was not considered to be a material weakness.
3. No instances of noncompliance or other matters required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No instances of noncompliance under the provisions of the Louisiana Governmental Audit Guide were noted during the audit of the financial statements.
5. A management letter was not issued.

Section II – Financial Statement Findings

2017-001

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

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

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

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

The Haven, Inc.
Schedule of Findings and Responses
As of and for the Year Ended
June 30, 2017

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

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

Questioned Costs:

\$ -0-

Section III – Federal Award Findings and Questioned Costs

This section is not applicable.

The Haven, Inc.
Schedule of Prior Findings and Resolution Matters
As of and for the Year Ended
June 30, 2017

Note: All prior findings relate to the June 30, 2016 audit engagement.

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

Inadequate Internal Control

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

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

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

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

The Haven, Inc.
Management's Corrective Action
Plan for Current Year Findings
As of and for the Year Ended
June 30, 2017

The contact person for all corrective actions noted below is Mrs. Julie Pellegrin, Executive Director.

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

Inadequate Internal Control

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

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

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

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.