

*Luther Speight & Company*  
*Certified Public Accountants and Consultants*

**YWCA OF GREATER BATON ROUGE**

**AUDITED FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT**

**FOR THE 3 MONTHS ENDED MARCH 31, 2018  
AND THE 12 MONTHS ENDED DECEMBER 31, 2017**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
YWCA of Greater Baton Rouge  
Baton Rouge, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of YWCA of Greater Baton Rouge (a nonprofit organization), which comprise the statement of financial position as of March 31, 2018 and December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the three month and twelve-month periods 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. 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.

Continued,

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of YWCA of Greater Baton Rouge as of March 31, 2018 and December 31, 2017, and the changes in its net assets and its cash flows for the three month and twelve month periods then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying statement of functional expenses – program services is presented for purposes of additional analysis and is not required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 August 30, 2018, on our consideration of YWCA of Greater Baton Rouge's internal control over financial reporting and on our test 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 YWCA of Greater Baton Rouge's internal control over financial reporting and compliance.

A handwritten signature in blue ink, appearing to read "Luther Speight", is written over a horizontal line.

Luther Speight & Company CPAs  
Baton Rouge, Louisiana  
August 30, 2018



**YWCA of Greater Baton Rouge**  
**Statement of Financial Position**  
**March 31, 2018 and December 31, 2017**

	Unrestricted	Temporarily Restricted	March 31, 2018 Total	Unrestricted	Temporarily Restricted	December 31, 2017 Total
<b>ASSETS</b>						
Current Assets						
Cash and Cash Equivalents (Note 1)	\$ 56,002	\$ 5,252	\$ 61,254	\$ 171,577	\$ 5,252	\$ 176,829
Government Grants Receivable	190,056	-	190,056	-	-	-
Other Current Assets	23,941	-	23,941	1,578	-	1,578
Total Current Assets	269,999	5,252	275,251	173,155	5,252	178,407
Property and Equipment, Net (Note 2)	47,596	-	47,596	50,491	-	50,491
<b>TOTAL ASSETS</b>	<u>\$ 317,595</u>	<u>\$ 5,252</u>	<u>\$ 322,847</u>	<u>\$ 223,646</u>	<u>\$ 5,252</u>	<u>\$ 228,898</u>
<b>LIABILITIES</b>						
Current Liabilities						
Accounts Payable	51,478	-	51,478	6,154	-	6,154
Note Payable to Bank (Note 3)	100,501	-	100,501	100,501	-	100,501
Payroll Liabilities	37,641	-	37,641	49,289	-	49,289
Compensated Absences	55,896	-	55,896	47,122	-	47,122
Total Current Liabilities	245,516	-	245,516	203,066	-	203,066
<b>TOTAL LIABILITIES</b>	<u>245,516</u>	<u>-</u>	<u>245,516</u>	<u>203,066</u>	<u>-</u>	<u>203,066</u>
<b>NET ASSETS</b>						
Unrestricted	72,079	-	72,079	20,580	-	20,580
Temporarily Restricted (Note 4)	-	5,252	5,252	-	5,252	5,252
<b>TOTAL NET ASSETS</b>	<u>72,079</u>	<u>5,252</u>	<u>77,331</u>	<u>20,580</u>	<u>5,252</u>	<u>25,832</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 317,595</u>	<u>\$ 5,252</u>	<u>\$ 322,847</u>	<u>\$ 223,646</u>	<u>\$ 5,252</u>	<u>\$ 228,898</u>

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

**YWCA of Greater Baton Rouge**  
**Statement of Activities**

	For the 3 Months Ended March 31, 2018:			For the Year Ended December 31, 2017:		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE						
Support						
Government Grants and Contracts	\$ 767,434	\$ -	\$ 767,434	\$ 2,152,609	\$ -	\$ 2,152,609
Contributions-In-Kind (Note 9)	81,588	-	81,588	703,230	-	703,230
Private Grants and Contracts	81,300	-	81,300	177,151	-	177,151
Special Events	1,157	-	1,157	33,856	-	33,856
Contributions	1,454	-	1,454	7,592	-	7,592
Total Support	932,933	-	932,933	3,074,438	-	3,074,438
Revenue						
Membership Dues	394	-	394	381	-	381
Fundraising	2,705	-	2,705	2,837	-	2,837
Other Income	-	-	-	325	-	325
Total Revenue	3,099	-	3,099	3,543	-	3,543
TOTAL SUPPORT AND REVENUE	936,032	-	936,032	3,077,981	-	3,077,981
EXPENSES						
Program Services	746,294	-	746,294	2,295,614	-	2,295,614
Management and General	138,239	-	138,239	858,044	-	858,044
TOTAL EXPENSES	884,533	-	884,533	3,153,658	-	3,153,658
Change in Net Assets	51,499	-	51,499	(75,677)	-	(75,677)
NET ASSETS, BEGINNING OF YEAR	20,580	5,252	25,832	8,545	5,252	13,797
Prior Period Adjustments (Note 10)	-	-	-	87,712	-	87,712
NET ASSETS, END OF YEAR	72,079	5,252	77,331	20,580	5,252	25,832

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

**YWCA of Greater Baton Rouge**  
**Statement of Cash Flows**

	<b>For the 3 Months Ended <u>March 31, 2018:</u></b>	<b>For the 12 Months Ended <u>December 31, 2017:</u></b>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 51,499	\$ (75,677)
Adjustments to Net Assets	-	87,712
Adjustments to Reconcile Change in Net Assets to		
Net Cash (Used) Provided by Operating Activities:		
Depreciation	2,895	14,838
Net Changes in Assets and Liabilities:		
(Increase) Decrease in Grant Receivables	(190,056)	-
(Increase) Decrease in Other Assets	(22,363)	11,735
Increase (Decrease) in Accounts Payable	45,324	(83,894)
Increase (Decrease) in Other Current Liabilities	(2,874)	59,870
Total Adjustments	<u>(167,074)</u>	<u>2,549</u>
Net Cash Provided by (Used) by Operating Activities	<u>(115,575)</u>	<u>14,584</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property and Equipment	<u>-</u>	<u>(2,895)</u>
Net Cash Used by Investing Activities	<u>-</u>	<u>(2,895)</u>
Net Change in Cash and Cash Equivalents	(115,575)	11,689
<b>Cash and Cash Equivalents - Beginning of Period</b>	<u>176,829</u>	<u>165,140</u>
<b>Cash and Cash Equivalents - End of Period</b>	<u><u>\$ 61,254</u></u>	<u><u>\$ 176,829</u></u>

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

**YWCA of Greater Baton Rouge**  
**Statement of Functional Expenses**

For the 3 Months Ended March 31, 2018:

For the 12 Months Ended December 31, 2017:

	Management			Management		
	Program	and	2018	Program	and	2017
	Services	General	Total	Services	General	Total
Salaries	\$ 409,556	\$ 2,123	\$ 411,679	\$ 1,501,838	\$ 9,964	\$ 1,511,802
In-Kind Services	-	81,588	81,588	-	703,230	703,230
Fringe Benefits	66,090	10,274	76,364	267,752	-	267,752
Supplies	125,909	7,217	133,126	108,229	10,012	118,241
Payroll Taxes	40,298	393	40,691	121,233	3,003	124,236
Professional Services	16,560	2,793	19,353	123,686	5,289	128,975
Occupancy	25,330	-	25,330	71,800	18,057	89,857
Staff Development	19,365	385	19,750	47,910	4,570	52,480
Insurance	1,015	2,306	3,321	8,527	34,738	43,265
Meetings/Conferences	17,236	-	17,236	170	5,452	5,622
Publicity/Advertising	10,408	7,448	17,856	3,965	688	4,653
Volunteer/Staff Recognition	1,267	11,759	13,026	1,381	5,422	6,803
Printing/Publications/Postage	1,665	189	1,854	8,432	7,079	15,511
YWCA USA Dues	-	2,522	2,522	-	12,608	12,608
Repairs & Maintenance	6,887	1,161	8,048	5,638	-	5,638
Contract Services	1,100	-	1,100	9,579	2,600	12,179
Travel Expenses	1,638	1,843	3,481	824	6,628	7,452
Telecommunications	250	-	250	7,159	3,319	10,478
Dues and Subscriptions	312	1,051	1,363	1,475	7,043	8,518
Interest and Bank Charges	-	1,793	1,793	565	5,788	6,353
Parent Services & Activities	1,012	135	1,147	3,015	50	3,065
Finger Printing & Background	90	-	90	1,732	155	1,887
Storage	306	188	494	704	406	1,110
Relocation Expense	-	176	176	-	-	-
Total Expenses						
Before Depreciation	746,294	135,344	881,638	2,295,614	846,101	3,141,715
Depreciation	-	2,895	2,895	-	11,943	11,943
Total Expenses	\$ 746,294	\$ 138,239	\$ 884,533	\$ 2,295,614	\$ 858,044	\$ 3,153,658

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



**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

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

Organization

YWCA of Greater Baton Rouge (the Organization) is a Louisiana non-profit corporation organized for the purposes of advancing the spiritual, intellectual, mental, social, cultural and physical condition of women and girls in the Baton Rouge area. The Organization is associated with the Young Women's Christian Association of the United States of America. The Organization is also a participating agency of and receives a portion of its annual funding needs from the Capital Area United Way. Other principal sources of revenues are grants, annual membership-dues, donations and fees charged for various program activities. The Organization is exempt from Federal Income Taxes under Section 501(c)3 of the Internal Revenue Code.

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. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Organization follows the provisions of Not-For-Profit Entities Topic of the Financial Accounting Standards Board Accounting Standards Codification 958 (FASB ASC 958), which establishes external financial reporting for not-for-profit organizations which includes three basic financial statements and classifications of resources into three separate categories of net assets, as follows:

- Unrestricted – Net assets which are free of donor-imposed restriction; all revenues, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets.
- Temporarily Restricted – Net assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled or removed by actions of the Organization pursuant to those stipulations.
- Permanently Restricted – Net assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Organization. There were no permanently restricted net assets as of March 31, 2018 or December 31, 2017.

**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes, are reported as temporarily restricted or permanently restricted support that increases those net asset classes, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or purpose of restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the organization considers all unrestricted highly liquid investments with a maturity of three months or less to be cash equivalents.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, the substance, unconditional.

Uncollectible Accounts, Grants Receivable and Promises to Give

The Organization uses the direct charge-off method whereby uncollectible accounts are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. The Organization's threshold for capitalization is \$2,500. Depreciation is computed using the straight-line method for financial reporting purposes over the following estimated useful lives:

Buildings and Grounds	5 – 15 years
Vehicles	5 – 7 years
Furniture and Equipment	3 – 10 years
Leasehold Improvements	10 years

**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

Donated Assets and Services

Land, buildings and equipment received as donations are recognized in the accompanying financial statements at their estimated fair market value at the date they are received. The Organization recognizes contribution revenue for certain services received at the fair value of those services provided those services created 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 by donation.

Concentration of Credit

The Organization maintains cash accounts with one commercial bank. The balances did not exceeded the federal insured amount of \$250,000 during the three months ended March 31 2018 or the twelve months ended December 31, 2017.

Functional Allocation of Expenses

The costs of providing the various programs and 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 benefitted based on the time spent on each program.

Income Taxes

The Organization in a not-for-profit organization that is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code and classified by the Internal Revenue Services as other than a private foundation.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending December 31, 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

Recent Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-14, Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities. Under this ASU, net assets will be presented in two classes: net assets with donor restrictions and net assets without donor restrictions. New or enhanced disclosures regarding the composition of net assets will be required. Disclosures regarding liquidity and availability of resources for general operating expenditures within one year of the date of the statement of financial position must also be presented. The ASU requires expenses to be presented by both nature and function, and investment return will be presented net of investment expenses. The ASU is effective for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018, but early adoption is permitted. Adoption of this ASU would impact the presentation and disclosures of the Organization's financial statements. The Organization has not elected to early adopt this standard.

**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

**NOTE 2 – PROPERTY AND EQUIPMENT**

A summary of property and equipment is as follows:

	<b><u>March 31, 2018</u></b>	<b><u>December 31, 2017</u></b>
Buildings and Grounds	\$ 348,114	\$ 348,114
Vehicles	27,690	27,690
Furniture and Equipment	146,707	146,707
Leasehold Improvements	39,766	39,766
	<u>562,277</u>	<u>562,277</u>
Accumulated Depreciation	<u>(514,681)</u>	<u>(511,786)</u>
Net Book Value	<u>\$ 47,596</u>	<u>\$ 50,491</u>

Depreciation expense for the three-month period ended March 31, 2018 was \$2,895 and for the twelve-month period ended December 31, 2017 was \$11,943.

**NOTE 3 – NOTES PAYABLE**

Short-term notes payable in the amount of \$100,501 at March 31, 2018 and December 31, 2017 consisted of a bank revolving line of credit of \$100,000 at the bank's index rate (6% at March 31, 2018 and December 31, 2017).

**NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS**

Net Assets With Donor Restrictions consisted of the following in March 31, 2018 and December 31, 2017:

Pennington Foundation	\$ 43,750
Capital Area United Way	27,500
Cumulative Adjustments to Net Assets	<u>(65,998)</u>
	<u>\$ 5,252</u>



**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

**NOTE 5 – LEASE COMMITMENTS**

The Organization leases three (3) buildings under operating leases. In addition, certain occupancy costs for one day care center is allocated and charged to the Organization.

The Organization also rents storage facilities and equipment on a daily basis as needed. Total rent expense and allocated costs for the three-month period ended March 31, 2018 was \$21,749 and for the twelve-month period ended December 31, 2017 was \$81,239.

The future minimum lease payments are as follows:

<b>March 31,</b>	
2019	<u>\$ 23,958</u>
<b>Total</b>	<u><u>\$ 23,958</u></u>

**NOTE 6 – ECONOMIC DEPENDENCY**

The Organization receives the majority of its revenues from funds provided through various state and federal grants. During the three month period ended March 31, 2018, approximately 82% of total support and revenue was received from the Federal and State Grants and during the 12 month period ended December 31, 2017, the percentage was 70%.. The grant amounts are appropriated each year by federal and state governments. If significant budget cuts are made at the federal, state and/or local level, the amount of funds the Organization receives could be reduced significantly and could have an adverse impact on its operations.

**NOTE 7 – RETIREMENT PLAN**

Employees of the organization who meet minimum service requirements are eligible to participate in the National YWCA Retirement Fund. The Plan is a cash balance defined benefit plan. Employee contributions are optional. Employees are allowed to make voluntary contributions based on their compensation up to certain maximum limits. During the three-month period ended March 31, 2018 and the 12 month period ended December 31, 2017, the Organization contributed \$18,121 and \$31,660, respectively, to the retirement plans, and these contributions are included as employee benefits in the accompanying financial statements.

The actuarial present value of the benefit obligation and fair value of plan assets are not available separately for each employer that participates in the plan.

**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

**NOTE 8 – FEDERAL COMPLIANCE CONTINGENCIES**

The Organization receives a portion of its revenues from government grants and contracts, all of which are subject to audit by the governments. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable cost. Management is of the opinion that no material liability will result from such audits.

**NOTE 9 – IN-KIND CONTRIBUTIONS**

During the three-month period ended March 31, 2018 and the twelve-month period ended December 31, 2017, the Organization received the following non-cash donations of material, services and free use of facilities that have been reflected in the accompanying financial statements in Support and Revenues as Contributions-In-Kind and Functional Expenses as Donations-in-Kind:

	<b><u>March 31, 2018</u></b>	<b><u>December 31, 2017</u></b>
Volunteers, Interns, and Professional Services	\$ 27,558	\$ 344,359
Free or Discounted Use of Facilities	28,602	104,686
Equipment Usage and Maintenance Services	13,243	52,970
Supplies	533	33,303
Other Items	<u>11,652</u>	<u>167,912</u>
 Total In-Kind Contributions	 <u><u>\$ 81,588</u></u>	 <u><u>\$ 703,230</u></u>

Generally accepted accounting principles require that only contributions of services received that create or enhance a non-financial asset or require a specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of these financial standards are different than the in-kind requirements of the Organization's grant awards.

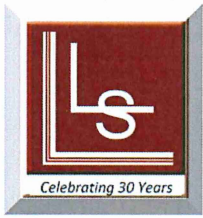
**NOTE 10 – PRIOR PERIOD ADJUSTMENTS**

Management determined several prior period audit adjustments were not recorded and other unreconciled differences existed. These prior period items resulted in an understatement of beginning net assets. As a result, management recorded adjustments of \$87,712 during 2017 to reflect the effect to the prior period.

**YWCA OF GREATER BATON ROUGE**  
**Notes to the Financial Statements**  
**March 31, 2018 and December 31, 2017**

**NOTE 11 – SUBSEQUENT EVENTS**

Management of the Organization has evaluated all subsequent events through September 20, 2018, the date the financial statements were available to be issued. No additional disclosures are considered necessary.



*Luther Speight & Company*  
*Certified Public Accountants and Consultants*

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

To the Board of Directors of  
YWCA of Greater Baton Rouge  
Baton Rouge, Louisiana

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of YWCA of Greater Baton Rouge (a nonprofit organization), which comprise the statement of financial position as of March 31, 2018 and December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the 3 month and 12 month periods then ended, and the related notes to the financial statements, and have issued our report thereon dated August 30, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered YWCA of Greater Baton Rouge's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of YWCA of Greater Baton Rouge'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 weakness 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 yet been identified.



Continued,

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether YWCA of Greater Baton Rouge's financial statements are free from material misstatements, 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 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.

A handwritten signature in blue ink, appearing to read "Luther Speight", is positioned above the printed name.

Luther Speight & Company CPAs  
Baton Rouge, Louisiana  
August 30, 2018



*Luther Speight & Company*  
*Certified Public Accountants and Consultants*

**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 of  
YWCA of Greater Baton Rouge  
Baton Rouge, Louisiana

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

We have audited YWCA of Greater Baton Rouge's compliance with the type of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on YWCA of Greater Baton Rouge's major federal program for the 12-month period ended December 31, 2017. YWCA of Greater Baton Rouge'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

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

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of YWCA of Greater Baton Rouge's compliance.

**Opinion on Each Major Federal Program**

In our opinion, YWCA of Greater Baton Rouge 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 12-month period ended December 31, 2017.

Continued,

### **Report on Internal Control Over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink, appearing to read "Luther Speight", followed by a stylized flourish.

Luther Speight & Company CPAs  
Baton Rouge, LA  
August 30, 2018

**YWCA OF GREATER BATON ROUGE**  
**Summary of Auditor's Results**  
**March 31, 2018 and December 31, 2017**

**Section I – Summary of Auditor's Results**

**Financial Statements**

An unmodified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weaknesses identified? ☐yes ☒no

Significant deficiencies identified

not considered to be material weaknesses? ☐yes ☒no

Noncompliance material to financial statements noted? ☐yes ☒no

**Federal Awards**

Internal control over major programs:

Material weakness (es) identified? ☐yes ☒no

Significant deficiency(s) identified

not considered to be material weaknesses? ☐yes ☒no

An unqualified opinion was issued on compliance.

Any audit findings disclosed that are required to be

Reported in accordance with Circular

A-133, Section 510(a)? ☐yes ☒no

The major programs for the 12 months ended December 31, 2017 were as follows:

1. Early Head Start - CFDA 93.600

No major programs were noted for the 3 months ended March 31, 2018.

Dollar threshold used to distinguish between Type A and  
Type B programs:

\$750,000

Auditee did not qualify as a low-risk auditee.



**YWCA OF GREATER BATON ROUGE**  
**Schedule of Findings and Questioned Costs**  
**March 31, 2018 and December 31, 2017**

We noted no findings during the current audit period.

**YWCA OF GREATER BATON ROUGE**  
**Schedule of Prior Year Findings**  
**March 31, 2018 and December 31, 2017**

<u>Finding #</u>	<u>Description</u>	<u>Resolved / Unresolved</u>
2016-01	General Accounting Procedures Not Adequate	X

**YWCA of Greater Baton Rouge**  
**Schedule of Expenditures of Federal Awards**

Grantor/State Pass-through/ Program name Location of Project	CFDA Number	(12 Months Ended December 31, 2017) Federal Expenditures
<b>U.S. Department of Health and Human Services</b>		
Administration of Children and Families		
Early Head Start	93.600	\$ 1,930,879
Office of Public Health		
SiHLE Intervention	93.092	<u>32,093</u>
<b>Total U.S. Department of Health and Human Services</b>		1,962,973
<b>U.S. Department of Agriculture</b>		
Child and Adult Care Food Program	10.558	<u>79,193</u>
<b>Total Federal Expenditures</b>		<u><u>\$ 2,042,166</u></u>

See accompanying notes to the schedule of expenditures of federal awards.

**YWCA OF GREATER BATON ROUGE**  
**Notes to Schedule of Expenditure of Federal Awards**  
**For the 12-Months Ended December 31, 2017**

**NOTE 1 – BASIS OF ACCOUNTING**

The accompanying schedule of expenditures of federal awards includes federal grant activity of the YWCA of Greater Baton Rouge and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**NOTE 2 – PRESENTATION**

The accompanying schedule of expenditures of federal awards covers the 12-month period ended December 31, 2017. It was noted that federal expenditures for the 3-month period ended March 31, 2018 fell below the \$750,000 threshold and therefore is excluded from the schedule.

**YWCA of Greater Baton Rouge**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head or Chief Executive Officer**

**Agency Head Name and Title:** Dianna Payton, CEO

<b>Purpose</b>	<b>3 Months Ended March 31, 2018</b>	<b>12 Months Ended December 31, 2017</b>
Salary	\$ 23,464	\$ 82,181
Benefits-FICA	1,740	6,029
Benefits-insurance	619	3,197
Benefits-retirement	-	-
Benefits-executive parking	-	-
Car allowance	-	-
vehicle provided by government	-	-
Per diem	212	463
Reimbursements	291	235
Travel	-	-
Registration fees	-	375
Conference travel	1,392	2,291
Continuing professional education fees	-	-
Housing	-	-
Unvouchered expenses	-	-
Special meals	-	-