

**SEXUAL TRAUMA AWARENESS
AND RESPONSE CENTER**

BATON ROUGE, LOUISIANA

JUNE 30, 2021



L.A. CHAMPAGNE & CO.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Sexual Trauma Awareness and Response Center

Report on Financial Statements

We have audited the accompanying financial statements of Sexual Trauma Awareness and Response Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, 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 audits to obtain reasonable assurance about whether the financial statements are free of 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 Sexual Trauma Awareness and Response Center as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The schedule of compensation, benefits, and other payments to Agency heads on page 15 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on page 16, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also 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 taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of Sexual Trauma Awareness and Response Center'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 Sexual Trauma Awareness and Response Center's internal control over financial reporting and compliance.

L.A. Champagne & Co., LLP
Baton Rouge, Louisiana
December 22, 2021

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF FINANCIAL POSITION

June 30, 2021

ASSETS

CURRENT ASSETS

Cash	\$ 809,375
Federal grants receivable	420,538
Prepaid expenses	25,158
Total current assets	<u>1,255,071</u>

PROPERTY AND EQUIPMENT

Property and equipment, net of depreciation	113,375
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OTHER ASSETS

Deposits	<u>18,806</u>
Total assets	<u><u>\$ 1,387,252</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 261
Accrued salaries and payroll taxes	55,550
Accrued compensated absences	31,733
Notes payable - Paycheck Protection Program	280,900
Total current liabilities	<u>368,444</u>

NET ASSETS

Without donor restrictions	619,465
With donor restrictions	399,343
Total net assets	<u>1,018,808</u>
Total liabilities and net assets	<u><u>\$ 1,387,252</u></u>

See notes to financial statements.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 177,755	\$ 608,042	\$ 785,797
Federal contracts and grants	1,325,735	-	1,325,735
Local and state governmental grants	93,144	-	93,144
Fundraising	16,425	-	16,425
In-kind contributions	260,041	-	260,041
Program service revenue	45,410	-	45,410
Other income	7,413	-	7,413
Net assets released from restrictions	483,936	(483,936)	-
TOTAL SUPPORT AND REVENUE	2,409,859	124,106	2,533,965
EXPENSES			
Program services:			
Advocacy	935,836	-	935,836
Counseling	512,526	-	512,526
Legal	304,552	-	304,552
Social Change	279,289	-	279,289
	<u>2,032,203</u>	<u>-</u>	<u>2,032,203</u>
Supporting services:			
Fundraising	54,948	-	54,948
Management and general	143,255	-	143,255
	<u>198,203</u>	<u>-</u>	<u>198,203</u>
TOTAL EXPENSES	2,230,406	-	2,230,406
INCREASE IN NET ASSETS	179,453	124,106	303,559
Net assets - beginning of year	<u>440,012</u>	<u>275,237</u>	<u>715,249</u>
Net assets - end of year	<u><u>\$ 619,465</u></u>	<u><u>\$ 399,343</u></u>	<u><u>\$ 1,018,808</u></u>

See notes to financial statements.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF CASH FLOWS
Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 303,559
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	31,892
Increase in receivables	7,175
Increase in prepaid expenses	142
Decrease in other accounts payable	261
Increase in accrued salaries and payroll taxes	(5,240)
Increase in accrued compensated absences	(8,912)
Net cash provided by operating activities	<u>328,877</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of equipment	<u>(48,294)</u>
Net cash used in investing activities	<u>(48,294)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES	
	<u>-</u>
 NET INCREASE IN CASH	
	280,583
Cash - beginning of year	<u>528,792</u>
Cash - end of year	<u>\$ 809,375</u>

See notes to financial statements.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2021

	Advocacy	Counseling	Legal	Social Change	Fundraising	Management and General	Total
Salaries & payroll taxes	\$ 531,513	\$ 396,905	\$ 218,769	\$ 206,913	\$ 20,004	\$ 55,367	\$ 1,429,471
Employee benefits	29,841	28,010	16,405	11,174	221	23,020	108,671
Occupancy expenses	62,972	54,357	36,723	41,355	14,814	20,172	230,393
Insurance	-	-	7,801	-	-	23,271	31,072
Equipment	1,694	1,272	699	1,259	64	1,661	6,649
Supplies and materials	2,673	7,355	1,102	3,235	100	279	14,744
Printing, copying, and mailing	5,639	4,234	2,325	2,193	212	588	15,191
Phone and internet	5,529	3,037	1,668	1,573	152	421	12,380
Conferences and travel	933	-	2,077	90	89	244	3,433
Marketing and advertising	386	386	386	386	1,945	386	3,875
Memberships and affiliations	400	-	1,120	-	-	35	1,555
Training and meetings hosted	1,412	341	187	176	17	85	2,218
Contract services	11,910	9,105	10,207	5,211	480	14,932	51,845
Special events	-	-	-	-	11,481	-	11,481
Financial assistance	15,495	-	-	-	-	-	15,495
Depreciation	8,716	7,524	5,083	5,724	2,051	2,794	31,892
In-kind	256,723	-	-	-	3,318	-	260,041
	<u>\$ 935,836</u>	<u>\$ 512,526</u>	<u>\$ 304,552</u>	<u>\$ 279,289</u>	<u>\$ 54,948</u>	<u>\$ 143,255</u>	<u>\$ 2,230,406</u>

See notes to financial statements.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
NOTES TO FINANCIAL STATEMENTS

June 30, 2021

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

The Sexual Trauma Awareness and Response Center (STAR) is a community wide, non-profit agency exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. STAR was incorporated on October 18, 2011 with the purpose of continuing the efforts of its predecessor, the Rape Crisis Center, which was a division of the District Attorney of the 19th Judicial District. STAR's mission is to support survivors of sexual trauma, improve systems response, and create social change to end sexual violence. STAR currently provides services to the Central, Capital, and Greater New Orleans Regions of South Louisiana.

Basis of accounting

STAR prepares its financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned or billed, and expenses are recognized when goods or services are received and the obligation for payment is incurred.

Basis of presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). STAR reports information regarding its financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions - resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of STAR, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions - resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

For program revenue and grants that are deemed to be exchange transactions, recognizes revenue when it transfers promised goods or services to its members in an amount that reflects the consideration to which STAR expects to be entitled in exchange for those goods and services. To accomplish this, STAR applies the following five-step process to achieve this core principle:

- Identification of the contract with the customer;
- Identification of the performance obligations of the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the identified performance obligations; and
- Recognition of revenue when (or as) an entity satisfies the identified performance obligations.

Grant revenue

STAR receives grant funding from federal agencies, state and local governments, and private sources. Grant revenue received for grants determined to be exchange transactions are recognized when performance obligations are satisfied at a point in time as services are provided and the grantor receives benefits. Revenue is recognized only to the extent of allowable expenditures under the terms of the grants. Excess expenses incurred are non-reimbursable to STAR. Advance payments from grantors are recorded as refundable advances until expensed for its intended purpose.

Program revenue

STAR receives program revenue for consulting services and professional training. Revenue for these services is recognized when the services occur.

Revenue disaggregation

STAR disaggregates revenue from contracts with customers into major revenue streams and based on the timing of recognized revenue. STAR's revenue disaggregated based on timing of the transfer of goods or services as follows for the year ended June 30, 2021:

Recognized at a point in time:	
Membership dues	\$ 245,993
Sponsorships	81,663

Contract Balances

The timing of revenue recognition, billings, and cash collections results in contract assets, receivables, and contract liabilities. STAR's receivables related to contracts, with customers amounted to \$420,538 as of June 30, 2021.

Payment terms

The majority of STAR's program revenue is billed after the performance obligations transpire.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Determination of the transaction price

The transaction price of a contract is the amount of consideration to which STAR expects to be entitled in exchange for transferring promised goods or services to a customer. Transaction prices do not include amounts collected on behalf of third parties. To determine the contract price of a contract, STAR considers its customary business practices as well as the terms of the contract. For the purpose of determining transaction prices, STAR assumes that the services will be transferred to the customer as promised in accordance with existing contracts and that contracts will not be cancelled, renewed, or modified. Most of the STAR's contracts with customers have fixed transaction prices that are denominated in U.S. dollars and payable in cash.

In most cases, consideration paid for consulting services and professional training is refundable prior to the date of the event or service. Therefore, at the time the revenue is recognized, STAR does not estimate expected refunds for services nor does STAR exclude any such amounts from revenue.

Contributions and grants

Contributions and grants are recorded as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When donor restrictions expire, that is, when the stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Advertising and Marketing Costs

STAR expenses advertising and marketing costs when incurred.

Use of estimates

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

Cash and cash equivalents

For purposes of the statement of cash flows, STAR considers all unrestricted highly liquid investments with maturities of three months or less when acquired to be cash equivalents.

Prepaid expenses

Insurance and similar services which extend benefits over more than one accounting period have been recorded as prepaid expenses.

Receivables and bad debts

Management believes that all receivables are collectible in full, and therefore, no allowance for bad debts has been provided in the financial statements.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are stated at cost less accumulated depreciation with depreciation being calculated on the straight-line basis over the estimated useful life of the assets as follows:

Leasehold improvements	20 years
Furniture and equipment	3-5 years
Machinery and equipment	5 years

When property is retired or otherwise disposed of, the accounts are relieved of the applicable cost and accumulated depreciation, and any resulting gain or loss is reflected in operations.

Donated services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by STAR. These services are recorded, based on the fair value of the services provided, as in-kind contributions on the Statement of Activities and the Statement of Functional Expenses. Volunteer services are not recognized in the financial statements when the recognition criteria are not met.

Donated equipment

Donations of property and equipment are recorded as contributions at the fair market value on the date received. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, STAR reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. STAR reclassifies temporarily restricted net assets at that time.

Income taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements.

STAR accounts for income taxes in accordance with the income tax accounting guidance included in the FASB ASC. Under this guidance, STAR may recognize the tax effects from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by tax authorities. STAR has evaluated its position regarding the accounting for uncertain income tax positions and does not believe that it has any material uncertain tax positions.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Compensated absences

STAR allows employees to accrue unused annual leave subject to specified limits on the number of hours. Upon termination or resignation, the outstanding balance of unused leave is paid to the employee. An accrual of annual leave has been recorded in the accompanying financial statements.

Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs are charged specifically to a program or function and the remaining costs are allocated among programs, administrative and fund raising based upon estimates of staff time devoted to these functions.

Description of programs

The following is a description of STAR's programs:

Advocacy – STAR's advocacy services include 24/7 hotline support, hospital advocacy, criminal justice accompaniment, and crisis intervention services, which are provided to sexual trauma survivors in the aftermath of a sexual assault. These services drastically reduce survivors' experiences of trauma and give survivors the support that is needed to move forward with the daunting criminal justice process.

Counseling – STAR provides individual and group therapy to survivors aged 12 and older at no cost to help survivors move past the trauma of sexual assault.

Legal – STAR provides free legal services to survivors in need of assistance in the areas of education, employment, family law, housing, immigration, privacy, public benefits, victim rights, and safety.

Social Change – STAR also works to create social change to drastically reduce the epidemic of sexual trauma by raising awareness, providing education, building skills within the community to effectively prevent and intervene in sexual violence, and examining the root causes of sexual violence.

New Accounting Pronouncement

In May 2014, the FASB issued ASU No. 2014-09, (Topic 606) *Revenue from Contracts with Customers*. This ASU is a comprehensive new revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods and services. Additional disclosure is required to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. This standard was adopted by STAR effective July 1, 2020 using the full retrospective method. The adoption of this standard did not have a material impact on STAR's financial statements.

B: CONCENTRATION OF REVENUE

STAR receives a significant portion of its funds provided through government grants and contracts. Thus, its funding is vulnerable to changes in the legislative priorities of federal, state, and local governments. Significant among those are the following, reflecting their percent of total revenues provided during the year ended June 30, 2021:

U.S. Department of Justice	50%
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STAR also receives a significant portion of its funds through donations from private foundations. For the year ended June 30, 2021, contributions from one private foundation accounted for 15% of the total support and revenues.

C: PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at cost, less accumulated depreciation as of June 30, 2021:

Leasehold improvements	\$ 33,035
Furniture and equipment	31,139
Machinery and equipment	184,921
Website and software	18,360
	<u>267,455</u>
Accumulated depreciation	(154,080)
	<u><u>\$ 113,375</u></u>

Depreciation expense was \$31,892 for the year ended June 30, 2021.

D: CONCENTRATION OF CREDIT RISK

STAR maintains deposits in a local financial institution with balances at times that may exceed the \$250,000 of insurance provided by the National Credit Union Insurance Fund. Management has placed these funds in a high-quality institution in order to minimize the risk. At June 30, 2021, STAR's cash balances exceeded insured limits by \$559,375.

E: RELATED PARTY TRANSACTIONS

STAR has entered into cooperative endeavor agreements with local governmental agencies which provided support totaling \$50,000. Each governmental agency has a representative on the Board of Directors. The funds provided through these agreements are without restrictions.

F: NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing and financing activities during the year ended June 30, 2021.

G: LEASE COMMITMENTS

STAR leases office space in Baton Rouge, Alexandria, New Roads, and New Orleans, Louisiana under agreements that are classified as operating leases. The Baton Rouge office lease provides for monthly rent of \$9,956 and expires November 30, 2022. The Alexandria office lease provides for monthly rent of \$2,100 and expires October 31, 2022. The New Orleans office is month-to-month and provides for monthly rent of \$6,000 per month.

The lease expense under these agreements was \$216,674 for the year ended June 30, 2021.

The future minimum lease payments required under the operating leases are as follows:

Years Ending June 30,	
2022	\$ 144,672
2023	58,180
	<u>\$ 202,852</u>

H: CONTINGENCIES

During the year ended June 30, 2021, STAR received \$1,325,735 in federal awards. Amounts received under these programs are subject to audit by the grantors and funding in excess of allowable costs, if any, may have to be returned to the grantor. Management is of the opinion that no material liability will result from such audits, if any, that may be conducted.

I: LIQUIDITY

The following represents STAR's financial assets as of June 30, 2021, reduced by amounts not available for general use because of contractual restrictions within one year of the statement of financial position date:

Financial assets at June 30, 2021	\$ 1,229,913
Amounts unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions	<u>(399,343)</u>
	<u>\$ 830,570</u>

As part of the organization's liquidity management, STAR maintains sufficient cash balances throughout the year through the receipt of grants and donations.

J: PAYMENT PROTECTION PROGRAM LOAN

During the year ended June 30, 2020, STAR received \$280,900 in funds from the Paycheck Protection Program (PPP) under the CARES Act and is reported as a short-term loan on the statement of financial position. STAR anticipates that the PPP loan will be 100% forgiven.

K: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of funds designated by donors or grantors for specific purposes or programs. As of June 30, 2021, amounts restricted to use for specific programmatic areas was as follows:

Greater New Orleans operations	\$ 287,295
Baton Rouge operations	50,000
Advocacy	32,654
Counseling	29,394
	<u>\$ 399,343</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose of restrictions specified by donors as follows for the year ended June 30, 2021:

Purpose restriction accomplished:	
Greater New Orleans operations	\$ 291,755
Baton Rouge operations	50,000
Advocacy	7,313
Counseling	103,468
Social change	31,400
Total restrictions released	<u>\$ 483,936</u>

L: SUBSEQUENT EVENTS

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen that could negatively impact contributions and operating results. At this point, the extent to which COVID-19 may impact the financial condition or results of operations is uncertain.

Subsequent events were evaluated through December 22, 2021 which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD**

Year Ended June 30, 2021

Racheal Hebert
President & CEO

	<u>Amount</u>
Salary	\$ 92,408
Benefits - payroll taxes	6,936
Benefits - insurance	4,099
Reimbursements	7,533

See independent auditor's report.

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year ended June 30, 2021

FEDERAL GRANTOR GRANTORS/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANTOR CONTRACTOR NUMBER	TOTAL FEDERAL EXPENDITURES
<u>U.S. Department of Justice</u>			
Legal Assistance for Victims Grant Program	16.524	2017-WL-AX-0045	\$ 251,144
Improving Criminal Justice Responses to Sexual Assault, Domestic Violence, Dating Violence, and Stalking	16.590	2017-WL-AX-0036	172,298
Passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
Sexual Assault Services Program	16.017	2019-KF-01-5407 5407	27,243 33,978 <u>61,221</u>
Services, Training, Officers, Prosecutors Violence Against Women Formula Grant Program	16.588	2019-WF-03-5399 5399	15,090 22,096 <u>37,186</u>
Crime Victim Assistance Program	16.575	2018-VA-01-5082 2018-VA-01-5032 2019-VA-01-5464 2018-VA-01-5175	197,973 63,007 274,655 200,874 <u>736,509</u>
Passed through the District Attorney of the 19th Judicial District:			
Crime Victim Assistance Program	16.575	N/A	<u>9,360</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through the Louisiana Foundation Against Sexual Assault:			
Rape Prevention and Education Program	93.136	N/A	<u>58,017</u>
			<u>\$ 1,325,735</u>

See notes to schedule of expenditures of federal awards.

SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2021

NOTE A—BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of STAR under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of STAR, it is not intended to and does not present the financial position, changes in net assets, or cash flows of STAR.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C—INDIRECT COST RATE

STAR has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.



**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***

The Board of Directors
Sexual Trauma Awareness and Response Center

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 Sexual Trauma Awareness and Response Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, 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 December 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sexual Trauma Awareness and Response Center'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 Sexual Trauma Awareness and Response Center'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 combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 Sexual Trauma Awareness and Response Center'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*.

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 Sexual Trauma Awareness and Response Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sexual Trauma Awareness and Response Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

L. A. Champagne & Co, LLP

Baton Rouge, Louisiana

December 22, 2021



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

The Board of Directors
Sexual Trauma Awareness and Response Center

Report on Compliance for Each Major Federal Program

We have audited Sexual Trauma Awareness and Response Center's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sexual Trauma Awareness and Response Center's major federal programs for the year ended June 30, 2021. Sexual Trauma Awareness and Response Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sexual Trauma Awareness and Response Center's compliance.

Opinion on Each Major Federal Program

In our opinion, Sexual Trauma Awareness and Response Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Sexual Trauma Awareness and Response Center 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 the Sexual Trauma Awareness and Response Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sexual Trauma Awareness and Response Center'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.

L.A. Champagne & Co., LLP

*Baton Rouge, Louisiana
December 22, 2021*

**SEXUAL TRAUMA AWARENESS AND RESPONSE CENTER
SUMMARY OF AUDIT RESULTS AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended June 30, 2021

A: SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Sexual Trauma Awareness and Response Center.
2. No significant deficiencies in internal controls relating to the audit of the financial statements are reported in the "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*."
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No significant deficiencies in internal controls over compliance with requirements applicable to major federal award programs are reported in the "Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance."
5. The auditor's report on compliance for the major federal award programs expresses an unmodified opinion.
6. There were no reportable audit findings relative to the major federal awards programs for STAR.
7. The program tested as major programs is as follows:

U.S. Department of Justice
CFDA 16.575 – Crime Victim Assistance Program
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. STAR was determined to be a low-risk auditee.

B: FINDINGS – FINANCIAL STATEMENTS AUDIT

There were no findings that are required to be reported in this section of the report.

C: FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

There are no findings that are required to be reported in this section of the report.

D: SUMMARY OF PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

There are no findings that are required to be reported in this section of the report.