

VIA LINK, INC.
NEW ORLEANS, LOUISIANA
FINANCIAL STATEMENTS
June 30, 2024 and 2023

VIA LINK, INC.
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INDEPENDENT AUDITORS' REPORT

To the Chief Executive Officer and
Board of Directors
VIA LINK, INC.
New Orleans, Louisiana

Opinion

We have audited the accompanying financial statements of Via Link, Inc. (the "Organization") (a Louisiana nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Via Link, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Via Link, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Via Link, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Via Link, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Via Link, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Report on Supplementary Information

Our audits were 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 Chief Executive Officer 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 October 23, 2024 on our consideration of the Organization'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 solely 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.

Kushner LaGraize, L.L.C.

Metairie, Louisiana

October 23, 2024

VIA LINK, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 832,188	\$ 1,113,431
Certificates of deposit	490,000	490,000
Grants and contracts receivable (net of allowance for doubtful accounts of \$120,000 at 2024 and 2023, respectively)	1,439,194	1,355,993
Prepaid expenses	33,266	31,942
Total Current Assets	2,794,648	2,991,366
PROPERTY AND EQUIPMENT		
Furniture and fixtures	41,350	42,198
Leasehold improvements	-	117,584
Less: accumulated depreciation	(38,828)	(75,759)
Total Property and Equipment	2,522	84,023
OTHER ASSETS		
Operating lease right of use (ROU) asset	24,116	180,155
Deposits	7,166	7,166
Total Assets	\$ 2,828,452	\$ 3,262,710

See accompanying notes to the financial statements.

VIA LINK, INC.
STATEMENTS OF FINANCIAL POSITION - CONTINUED
June 30, 2024 and 2023

LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT LIABILITIES		
Accounts payable	\$ 11,417	\$ 5,290
Accrued payroll	172,688	121,548
Operating lease liability, current portion	19,184	84,803
Deferred revenue	363,666	249,949
Compensated absences	<u>148,328</u>	<u>118,168</u>
Total Current Liabilities	715,283	579,758
LONG-TERM LIABILITIES		
Operating lease liability, less current portion	4,932	94,106
Deferred revenue, less current portion	<u>224,498</u>	<u>147,078</u>
TOTAL LONG-TERM LIABILITIES	<u>229,430</u>	<u>241,184</u>
TOTAL LIABILITIES	944,713	820,942
NET ASSETS		
Without donor restrictions:		
Undesignated	883,739	1,441,768
Board designated (for emergency purposes)	<u>1,000,000</u>	<u>1,000,000</u>
Total Net Assets Without Donor Restrictions	<u>1,883,739</u>	<u>2,441,768</u>
Total Net Assets	<u>1,883,739</u>	<u>2,441,768</u>
Total Liabilities and Net Assets	<u>\$ 2,828,452</u>	<u>\$ 3,262,710</u>

See accompanying notes to the financial statements.

VIA LINK, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND OTHER SUPPORT			
UNITY grants	\$ 429,494	\$ -	\$ 429,494
United Way of SELA allocations and grants	503	-	503
United Way grants and contracts	723,772	-	723,772
Other grants and contracts	3,231,313	-	3,231,313
Training	74,584	-	74,584
Miscellaneous	32,982	-	32,982
Dashboard & Development	127,500	-	127,500
Cash contributions	<u>27,961</u>	<u>-</u>	<u>27,961</u>
 Total Revenues and Other Support	 4,648,109	 -	 4,648,109
EXPENSES			
Program services	4,543,433	-	4,543,433
Support services	<u>662,705</u>	<u>-</u>	<u>662,705</u>
 Total Expenses	 <u>5,206,138</u>	 <u>-</u>	 <u>5,206,138</u>
 CHANGE IN NET ASSETS	 (558,029)	 -	 (558,029)
 NET ASSETS BEGINNING OF THE YEAR	 <u>2,441,768</u>	 <u>-</u>	 <u>2,441,768</u>
 NET ASSETS, END OF YEAR	 <u>\$ 1,883,739</u>	 <u>\$ -</u>	 <u>\$ 1,883,739</u>

See accompanying notes to the financial statements.

VIA LINK, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
UNITY grants	\$ 429,494	\$ -	\$ 429,494
United Way of SELA allocations and grants	-	100,066	100,066
United Way grants and contracts	289,259	14,892	304,151
Other grants and contracts	2,966,240	-	2,966,240
Miscellaneous	15,132	-	15,132
Dashboard & Development	34,500	-	34,500
Cash contributions	2,018	-	2,018
Total Revenues and Other Support	3,736,643	114,958	3,851,601
Net assets released from restrictions			
United Way of SELA allocations and grants	219,958	(219,958)	-
Total Revenues and Other Support	3,956,601	(105,000)	3,851,601
EXPENSES			
Program services	3,757,287	-	3,757,287
Support services	508,161	-	508,161
Total Expenses	4,265,448	-	4,265,448
CHANGE IN NET ASSETS	(308,847)	(105,000)	(413,847)
NET ASSETS BEGINNING OF THE YEAR	2,750,615	105,000	2,855,615
NET ASSETS, END OF YEAR	\$ 2,441,768	\$ -	\$ 2,441,768

See accompanying notes to the financial statements.

VIA LINK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	Program Services					Support Services	
	Information, Referral and Crisis Intervention Center	Outreach and PCAL	Homeless Management Information System	Resource Center	Total Program	Management and General	Total
Salaries	\$ 2,149,390	\$ 159,112	\$ 459,161	\$ 404,667	\$ 3,172,330	\$ 384,456	\$ 3,556,786
Employee benefits	159,858	19,942	48,301	43,280	271,381	26,328	297,709
Payroll taxes	164,400	11,040	33,037	29,281	237,758	28,679	266,437
Payroll processing	27	-	-	-	27	12,774	12,801
Total salaries, benefits and taxes	2,473,675	190,094	540,499	477,228	3,681,496	452,237	4,133,733
Depreciation	4,851	-	2,436	-	7,287	8,008	15,295
Equipment, software rental and maintenance	177,857	254	76,994	47,830	302,935	13,045	315,980
Insurance	37,539	471	7,778	2,559	48,347	6,794	55,141
Membership dues	10,485	4,723	12,069	981	28,258	5,144	33,402
Miscellaneous expense	1,612	116	327	1,869	3,924	21,498	25,422
Occupancy	3,836	2,007	58,793	15,346	79,982	19,280	99,262
Office supplies	1,728	4,905	3,009	1,638	11,280	2,806	14,086
Postage	6,750	820	29	-	7,599	1,598	9,197
Printing and publications	11,311	926	63	538	12,838	1,057	13,895
Professional fees	152,974	11,519	42,140	34,272	240,905	21,459	262,364
Telephone and internet	6,588	1,304	6,005	2,441	16,338	5,565	21,903
Advertising	20,518	8,530	235	2,582	31,865	23,454	55,319
Travel and conferences	26,608	15,883	9,976	15,861	68,328	13,077	81,405
Revenue discounts	-	2,001	-	-	2,001	-	2,001
Bank fees	30	-	20	-	50	353	403
Interest	-	-	-	-	-	1,125	1,125
Loss on disposal of fixed assets	-	-	-	-	-	66,205	66,205
Total expenses	<u>\$ 2,936,362</u>	<u>\$ 243,553</u>	<u>\$ 760,373</u>	<u>\$ 603,145</u>	<u>\$ 4,543,433</u>	<u>\$ 662,705</u>	<u>\$ 5,206,138</u>

See accompanying notes to the financial statements.

VIA LINK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2023

	Program Services				Support Services	
	Information, Referral and Crisis Intervention Center	Homeless Management Information System	Resource Center	Total Program	Management and General	Total
Salaries	\$ 1,951,775	\$ 408,703	\$ 259,830	\$ 2,620,308	\$ 316,341	\$ 2,936,649
Employee benefits	109,880	36,609	15,295	161,784	19,303	181,087
Payroll taxes	152,311	29,313	18,956	200,580	23,343	223,923
Payroll processing	-	-	-	-	10,757	10,757
Total salaries, benefits and taxes	2,213,966	474,625	294,081	2,982,672	369,744	3,352,416
Depreciation	3,253	2,436	-	5,689	8,007	13,696
Bad debt expense	14,800	-	-	14,800	-	14,800
Equipment, software rental and maintenance	171,723	71,022	10,736	253,481	20,011	273,492
Insurance	34,762	11,753	1,753	48,268	3,426	51,694
Membership dues	7,899	11,644	1,003	20,546	4,525	25,071
Miscellaneous expense	8,961	3,049	50	12,060	3,942	16,002
Occupancy	24,642	39,270	5,462	69,374	19,481	88,855
Office supplies	9,562	2,149	(171)	11,540	9,048	20,588
Postage	7,252	-	-	7,252	459	7,711
Printing and publications	9,385	498	129	10,012	328	10,340
Professional fees	103,730	36,896	77,345	217,971	31,400	249,371
Telephone and internet	6,362	5,428	1,640	13,430	3,788	17,218
Advertising	53,357	223	362	53,942	17,587	71,529
Travel and conferences	16,054	10,178	5,481	31,713	16,231	47,944
Revenue discounts	4,507	-	-	4,507	-	4,507
Bank fees	-	-	30	30	184	214
Total expenses	<u>\$ 2,690,215</u>	<u>\$ 669,171</u>	<u>\$ 397,901</u>	<u>\$ 3,757,287</u>	<u>\$ 508,161</u>	<u>\$ 4,265,448</u>

See accompanying notes to the financial statements.

VIA LINK, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Change in net assets	\$ (558,029)	\$ (413,847)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities:		
Loss on disposal of fixed assets	66,205	-
Bad debt expense	-	14,800
Depreciation	15,296	13,696
Non cash lease expense - operating leases	86,049	73,597
Changes in operating assets and liabilities:		
Grants and contracts receivable	(83,201)	321,439
Prepaid expenses	(1,324)	(2,198)
Accounts payable	6,127	(5,962)
Deposits	-	(1,651)
Accrued payroll	51,140	39,040
Deferred revenue	191,137	397,027
Operating leases liability	(84,803)	(74,843)
Compensated absences	<u>30,160</u>	<u>26,538</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(281,243)	387,636
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of certificates of deposit	<u>-</u>	<u>(490,000)</u>
NET CASH USED IN INVESTING ACTIVITIES	-	(490,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(281,243)	(102,364)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,113,431</u>	<u>1,215,795</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 832,188</u>	<u>\$ 1,113,431</u>
SUPPLEMENTAL INFORMATION		
ROU assets obtained in exchange for new operating lease liabilities	\$ -	\$ 253,752
ROU assets removed and lease liabilities cancelled due to lease termination	\$ 69,990	\$ -

See accompanying notes to the financial statements.

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2024 and 2023

NOTE I – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Via Link, Inc. (the “Organization”) is a not-for-profit organization located in the Greater New Orleans area that provides crisis support, connects people to resources and services, and provides vital data and trend information to ensure policies and programs meet community needs.. The Organization’s primary source of revenue are grants and contracts.

Basis of Accounting

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization’s board may designate assets without restrictions for operational purposes from time to time.

Net Assets With Donor Restrictions – Net assets subject to stipulation imposed by donors and grantors. Some donor-imposed restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense was \$55,319 and \$71,529 for the years ended June 30, 2024 and 2023, respectively.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all restricted and unrestricted cash and other highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024 and 2023

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –
Continued

Certificates of Deposit

The Organization values all certificates of deposit at the lower of cost or fair value. As of June 30, 2024 and 2023, the Organization held certificates of deposit with balances of \$490,000 and \$490,000, respectively. The maturity dates vary from December 9, 2024 to December 9, 2025 and annual interest rates range from 4.5% to 4.6%.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Grants and Contracts Receivable

Grants and contracts receivable are stated at the amount management expects to collect from outstanding balances. At June 30, 2024 and 2023, the financial statements include an estimate for allowance for doubtful accounts in the amount of \$120,000 as management believes this amount is uncollectible.

Property and Equipment

Property and equipment exceeding \$2,500 are recorded at historical cost or estimated historical cost if historical cost is not available. Betterments that naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Normal maintenance and minor purchases are expensed to repairs and maintenance of the Organization. Depreciation expense for the years ended June 30, 2024 and 2023 totaled \$15,296 and \$13,696, respectively. Depreciation is calculated using the straight-line method with useful lives of 3 to 15 years. Leasehold improvements are amortized on a straight-line basis over the assets' estimated useful lives or leasehold life, if shorter.

Compensated Absences

Employees of the Organization are entitled to paid time off depending on their length of service and other factors. At June 30, 2024 and 2023, liabilities for compensated absences were \$148,328 and \$118,168, respectively.

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024 and 2023

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –
Continued

Revenue Recognition/Deferred Revenue

Grants and contributions received are recorded without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restrictions expire or are met in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Contract revenue is recognized in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*, the core principle of which is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive in exchange for those goods or services. To achieve this core principle, five basic criteria must be met before revenue can be recognized: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to performance obligations in the contract; (5) recognize revenue when or as the Organization satisfies a performance obligation. The Organization recognizes revenue at the point in time when the services are provided at the amount that reflects the consideration to which the Organization expects to be entitled for providing the service, according to the respective contracts.

Contracts and grants that are received ahead of the time period specified for the Organization to provide services are recognized as deferred revenue. At June 30, 2024 and 2023, contracts and grants received of \$588,164 and \$397,027, respectively, have not been recognized as revenue in the accompanying statements of activities as the time period specified for the Organization to provide services has not yet begun. As such, they are recorded in the statements of financial position as deferred revenue.

Functional Expenses

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statements of activities. Directly identifiable expenses are charged to programs and administration. Expenses related to more than one function are charged to programs and administration on the basis of periodic time and expense studies.

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024 and 2023

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –
Continued

Functional Expenses - Continued

The Organization's principal programs are comprised of the following:

Information, Referral and Crisis Intervention Center - The Organization provides individuals and organizations with information and referral to appropriate community resources through a 24-hour call center that provides crisis intervention/suicide prevention and information and referrals to community resources, the publication of the Community Resource Directory and public access to community resource information on the Organization's website, .

Outreach and PCAL (Prevent Child Abuse Louisiana) - This department represents and promotes the Organization and its mission through outreach, advocacy and education. It also ensures the Organization's presence in outreach and community events, the creation and provision of education trainings and presentations, participation in statewide coalitions and workgroups, and maintains an online presence via the Organization's websites and social media.

Homeless Management Information System – The Organization receives grant support from UNITY Greater New Orleans (UNITY) to operate the Homeless Management Information System and to provide training, technical support, and aggregate reporting for agencies affiliated with UNITY.

Resource Center – This department produces and oversees the Organization's information database which contains 4,000 active resources. It also manages the Organization's care navigation services, and develops data tools for itself and other organizations that contract with the agency.

Contributed Nonfinancial Assets and Services

The Organization records nonfinancial donations of assets and services in accordance with ASC 958-605. Portions of the Organization's functions are sometimes conducted by unpaid officers, board members, and trained volunteers. The Organization recognizes contributed services, if significant in amount, that creates or enhances non-financial assets or that require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. For the years ended June 30, 2024 and 2023, the Organization recorded no contributed services provided by trained volunteers and board members.

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024 and 2023

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –
Continued

Income Taxes

Under the provisions of the Internal Revenue Code, Section 501(c)(3), and the applicable income tax regulations of Louisiana, the Organization is exempt from taxes on income other than unrelated business income. The Organization has also been classified as an entity that is not a private foundation in Section 170(b)(1)(A)(vi).

The Organization’s evaluation revealed no tax positions that would have a material impact on the financial statements. The 2022-2024 tax years remains subject to examination by the IRS. The Organization does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

Right-of-Use Assets and Lease Liabilities

The Organization determines if an arrangement contains a lease at the inception of a contract. Right-of-use assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of the lease, renewal date of the lease or significant remodeling of the lease space based on the present value of the remaining future minimum lease payments. As the interest rate implicit in the Organization’s operating leases is not readily determinable, the Organization utilizes the risk free rate at the start of the lease, to discount the operating lease payments.

Leases with an initial term of 12 months or less are not recorded on the Statement of Financial Position, and lease expense is recognized on a straight-line basis over the term of the short-term lease.

NOTE 2 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization’s financial assets as of June 30, 2024 and 2023 reduced by amounts not available for general use because of contractual or Board-imposed restrictions within one year of the statements of financial position date. However, amounts already appropriated for general expenditures within one year of the statements of financial position dates have not been subtracted as unavailable.

	2024	2023
Financial assets, at year end	\$ 2,271,382	\$ 2,959,424
Contractual or donor-imposed restrictions:		

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024 and 2023

NOTE 2 – LIQUIDITY AND AVAILABILITY OF RESOURCES – Continued

Restricted by donor with time or purpose restrictions	-	-
Board designated funds for emergency purposes	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,271,382</u>	<u>\$ 1,959,424</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments including certificates of deposit.

NOTE 3 – RISKS AND UNCERTAINTIES

The Organization maintains cash balances at multiple financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. For the years ended June 30, 2024 and 2023, the Organization had uninsured balances of \$207,237 and \$412,403, respectively. The Organization has not experienced any losses and believes it is not exposed to any significant risk.

NOTE 4 – DESIGNATED NET ASSETS

At June 30, 2024 and 2023, the Board of Directors designated net assets totaling \$1,000,000 and \$1,000,000, respectively, for emergency purposes.

NOTE 5 – RETIREMENT PLAN

Effective January 1, 1998, the Organization adopted a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE). All employees are eligible to participate. For the years ended June 30, 2024 and 2023, the Organization made matching contributions of \$21,832 and \$14,952, respectively, included in employee benefits on the statements of functional expenses.

NOTE 6 – LEASES

At June 30, 2024, the Organization had one office space lease with a term of 3 years.

The following table is a summary of the components of net lease costs for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Operating (total) lease costs	<u>\$ 89,418</u>	<u>\$ 80,198</u>

VIA LINK, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024 and 2023

NOTE 6 – LEASES – Continued

Supplemental Statement of Financial Position information related to the leases as of June 30, 2024 and 2023 is as follows:

Operating leases:	<u>2024</u>	<u>2023</u>
Operating lease right-of-use assets	<u>\$ 24,116</u>	<u>\$ 180,155</u>
Current portion of operating lease liability	\$ 19,184	\$ 84,803
Long-term operating lease liability	<u>4,932</u>	<u>94,106</u>
Total operating lease liability	<u>\$ 24,116</u>	<u>\$ 178,909</u>
	<u>2024</u>	<u>2023</u>
Weighted average remaining lease term (in months):		
Operating leases	15.00	24.71
Weighted average discounts rate:		
Operating leases	4.48 %	3.46 %

The following table summarizes the maturity of the lease liability under operating leases as of June 30, 2024:

2025	\$ 19,800
2026	<u>4,950</u>
Total lease payments	24,750
Less: imputed interest	<u>(634)</u>
Total lease liability	<u>\$ 24,116</u>

VIA LINK, INC.
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2024 and 2023

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were released from restrictions for the following purposes during the years ended June 30:

	2024	2023
2-1-1 and crisis work	\$ -	\$ (219,958)

NOTE 8 – RISK MANAGEMENT

The Organization is exposed to various risks of loss in the normal course of business. Commercial insurance coverage is purchased for claims arising from such matters. For the years ended June 30, 2024 and 2023, there were no claims outstanding.

NOTE 9 – CONCENTRATIONS

For the year ended June 30, 2024, one grantor accounted for 42.3% of the Organization’s total revenues. For the year ended June 30, 2023, two grantors accounted for 11.2% and 10.5% of the Organization’s total revenues.

NOTE 10 – SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through October 23, 2024, which is the date the financial statements were available to be issued and determined no event occurred that required accrual or disclosure in the financial statements except as mentioned below.

Subsequent to June 30, 2024, the Organization signed a 5-year lease for an office housing the call center, HMIS and the Resource departments with a monthly rent of about \$6,300 per month.

SUPPLEMENTARY INFORMATION

VIA LINK, INC.
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE
CHIEF EXECUTIVE OFFICER
For the Year Ended June 30, 2024

ORGANIZATION HEAD NAME: LaYondra Dobbs, Chief Executive Officer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 143,995
Benefits - health insurance	11,951
Benefits - retirement	4,482
Worker's compensation insurance	360
Benefits - life insurance	241
Benefits - FICA and Medicare	11,016
Cell Phone	<u>1,338</u>
	<u>\$ 173,383</u>

**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

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 Chief Executive Officer and Board of Directors
Via Link, Inc.
New Orleans, 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 Via Link, Inc. (a Louisiana nonprofit organization), which comprise the statement of financial position as of June 30, 2024 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 October 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Via Link Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Via Link Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Via Link Inc.'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. We have identified a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Via Link, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws,

regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

Via Link Inc.'s Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on Via Link, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Via Link, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
October 23, 2024

VIA LINK, INC.
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2024

I. SUMMARY OF AUDITORS' REPORT

- a. The auditors' report expresses an unmodified opinion on the financial statements of Via Link, Inc.
- b. One significant deficiency and no material weaknesses in internal control relating to the audit of the financial statements of Via Link, Inc. are reported in the 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*.
- c. No instances of noncompliance material to the financial statements of Via Link, Inc. were reported in the 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*.

2. FINDINGS – FINANCIAL STATEMENT AUDIT

Significant Deficiencies:

2024-001

Criteria:

Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Condition:

During the year ended June 30, 2024, segregation of duties between access to the accounting records and custody of assets was not maintained with regard to payments made electronically.

Cause:

Management had the Director of Finance, who is responsible for the accounting records and has the ability to change them, making electronic payments. As such, this resulted in this employee having access to both the accounting records and the Organization's cash.

Effect:

The Director of Finance had the ability to both alter the accounting records and misappropriate funds before someone else in the Organization reviews or approves the transactions.

VIA LINK, INC.
SCHEDULE OF FINDINGS AND RESPONSES - CONTINUED
For the Year Ended June 30, 2024

2. FINDINGS – FINANCIAL STATEMENT AUDIT - Continued

Recommendation:

In the previous year, we recommended that the Organization take the steps necessary to ensure proper segregation of duties. Subsequent to June 30, 2024, the Organization implemented Positive Pay at their bank to ensure the Director of Finance does not have the ability to make electronic payments singly. As such, we have no further recommendations.

Management's Response:

Management concurred with the recommendation. See management's corrective action plan.

VIA LINK, INC.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2024

I. SUMMARY OF AUDITORS' REPORT

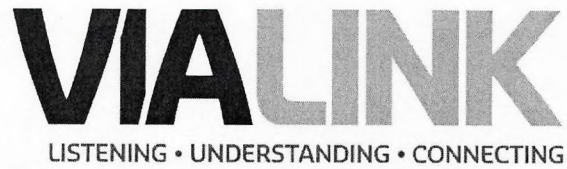
- a. The auditors' report expressed an unmodified opinion on the financial statements of Via Link, Inc.
- b. Two significant deficiencies and no material weaknesses in internal control relating to the audit of the financial statements of Via Link, Inc. were reported in the Independent Auditors' Report 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*.
- c. No instances of noncompliance material to the financial statements of Via Link, Inc. were reported in the 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*.
- d. A management letter was issued for the year ended June 30, 2023.

2. FINDINGS – FINANCIAL STATEMENT AUDIT

Significant Deficiencies:

2023-001 - Resolved Subsequent to June 30, 2024 - see 2024-001

2023-002 - Resolved



Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70802

October 21, 2024

Significant Deficiency for the period ending June 30, 2024

2024-001

Criteria:

Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Condition:

During the year ended June 30, 2024, segregation of duties between access to the accounting records and custody of assets was not maintained with regard to payments made electronically.

Cause:

Management had the Director of Finance, who is responsible for the accounting records and has the ability to change them, making electronic payments. As such, this resulted in this employee having access to both the accounting records and the Organization's cash.

Effect:

The Director of Finance had the ability to both alter the accounting records and misappropriate funds before someone else in the Organization reviews or approves the transactions.

Recommendation:

In the previous year, our auditor, Kushner LaGraize, recommended that the Organization take the steps necessary to ensure proper segregation of duties. After June 30, 2024, the auditor confirmed that the organization implemented Positive Pay at our bank to ensure the Director of Finance does not have the ability to make electronic payments singly. As such, Kushner LaGraize had no further recommendations.

Management's Response:

Management concurred with the recommendation. As cited above in the Auditor's recommendation, VIA LINK did implement Positive Pay at its bank. Consequently, this ensures the approval of disbursements of electronic funds by an authorized employee or official to sign checks.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To LaVondra Dobbs the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. Via Link's management is responsible for those C/C areas identified in the SAUPs.

Via Link (the Entity) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

I. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

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

Examined the written policies and procedures regarding budgeting, without exception.

b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Examined the written policies and procedures regarding purchasing, without exception.

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

Examined the written policies and procedures regarding disbursements, without exception.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Examined the written policies and procedures regarding receipts, without exception.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Examined the written policies and procedures regarding payroll/personnel, without exception.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Examined the written policies and procedures regarding contracting, without exception.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Examined the written policies and procedures regarding credit cards, without exception.

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

Examined the written policies and procedures regarding travel and expense reimbursement, without exception.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

N/A – the Louisiana Code of Ethics is not applicable to not-for-profit entities.

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

N/A – the entity holds no outstanding debt.

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

Examined the written policies and procedures regarding information technology, without exception.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

N/A – this section is not applicable to not-for-profit entities.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Per review of the board minutes and bylaws, the Board met on a frequency in accordance with the Board's bylaws. No exceptions noted.

- b) Observe whether the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Per review of the board minutes, the minutes referenced the appropriate financial documents, without exception.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund

balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

N/A – this section is not applicable to not-for-profit entities.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Noted the board minutes did reference resolving prior year audit findings.

Bank Reconciliations

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

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

Noted evidence that all reconciliations tested were prepared within the appropriate time period, without exception.

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

Noted no evidence of approval on two of the reconciliations tested.

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

N/A - no outstanding items > 1 year old identified.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Per management, the Organization has only one deposit site, at Via Link's main office. All deposits are done electronically.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

N/A- The organization does not accept cash collections.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

N/A- The organization does not accept cash collections.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

N/A- The organization does not accept cash collections.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

N/A- The organization does not accept cash collections.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

N/A- The organization does not accept cash collections.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.

N/A- The organization does not accept cash collections.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

N/A- The organization does not accept cash collections.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

N/A- The organization does not accept cash collections.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

N/A- The organization does not accept cash collections.

- e) Trace the actual deposit per the bank statement to the general ledger.

N/A- The organization does not accept cash collections.

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained listing of locations that process payments for the fiscal period and management's representation that the listing is complete, without exception.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- b) At least two employees are involved in processing and approving payments to vendors.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- e) Only employee/official authorized to sign checks approve the electronic disbursements of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Noted electronic disbursements lacked proper approval.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

All disbursements examined matched the related original invoice/billing statement, without exception.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

All invoices examined did not include evidence of segregation of duties documented above.

11. Using the entity's main operating account and the month selected in Bank Reconciliations, randomly select 5 non-payroll related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by those persons authorized to disburse funds per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

All electronic disbursements examined did not include evidence of proper approval and number of authorized signers.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Per management, there is only one active credit card. Therefore, one credit card was selected that was used during the period and one monthly statement was selected for testing. See testing below.

13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases,

exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

For the statement selected, noted evidence of review and approval, without exception.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

No finance charges or late fees were noted on the statement examined.

14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

All transactions examined contained the proper documentation as noted above.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

N/A- none of the amounts selected included a per diem.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

All costs reimbursed examined were supported by itemized receipts.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those

individuals participating) and other documentation required by written policy (procedure #1h).

All costs reimbursed examined were supported by documentation of the business/public purpose.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

We noted that the reimbursements examined did show evidence of review and approval by someone other than the person receiving the reimbursement.

Contracts

16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

N/A – the Louisiana Public Bid Law was not applicable to the contracts examined.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

All contracts examined were approved by the governing body/board.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

N/A – no contracts examined were amended during the period.

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

Noted payments examined appeared to be in compliance with terms of the contract, without exception

Payroll and Personnel

17. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained complete listing of all employees and officials employed during the fiscal period and management's representation that the listing is complete.

18. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Noted each employee tested documented their daily attendance and leave, without exception.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Noted all attendance and leave was approved, without exception.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Noted all leave accrued or taken was properly reflected in the Organization's cumulative records, without exception.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Noted authorized salary/pay rate for each individual tested agreed to their personnel file, without exception.

19. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Examined documentation for 2 termination payments made during the year which agreed to policy, without exception.

20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Obtained management's representation that all employer & employee required payroll related amounts were submitted and paid by their respective deadlines, without exception.

Ethics

21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above: obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

N/A - this section is not applicable to nonprofit organizations.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

N/A - this section is not applicable to nonprofit organizations.

22. Inquire and/or observe the agency has appointed an ethics designee as required by R.S. 42:1170.

N/A - this section is not applicable to nonprofit organizations.

Debt Service

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

N/A - this section is not applicable to nonprofit organizations.

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

N/A - this section is not applicable to nonprofit organizations.

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Per management, there were no misappropriations of public funds or assets during the fiscal period.

26. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Observed required notice on the Organization's website and premises, without exception.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

Obtained and observed backup documentation listed above, noting no exceptions.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Obtained and examined backup documentation listed above, noting no exceptions.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

For each computer examined, noted each had the requirements identified above, without exception.

2. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Obtained and observed documentation from IT. Noted all employees selected had been removed or disabled from the network, without exception.

3. Using the 5 randomly selected employees/officials from Payroll and Personnel, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- a) Hired before June 9, 2020 – completed the training; and
- b) Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.

N/A - this section is not applicable to nonprofit organizations.

Prevention of Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

N/A - this section is not applicable to nonprofit organizations.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

N/A - this section is not applicable to nonprofit organizations.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

N/A - this section is not applicable to nonprofit organizations.

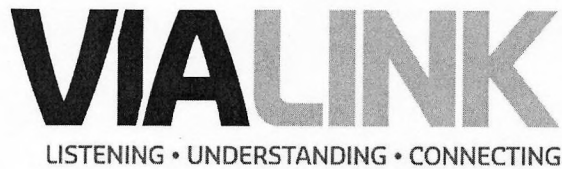
We were engaged by Via Link, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Via Link, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
October 23, 2024



Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70802

October 23, 2024

Significant Deficiency for the period ending June 30, 2024

2024-001

Criteria:

Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Condition:

During the year ended June 30, 2024, segregation of duties between access to the accounting records and custody of assets was not maintained with regard to payments made electronically.

Cause:

Management had the Director of Finance, who is responsible for the accounting records and has the ability to change them, making electronic payments. As such, this resulted in this employee having access to both the accounting records and the Organization's cash.

Effect:

The Director of Finance had the ability to both alter the accounting records and misappropriate funds before someone else in the Organization reviews or approves the transactions.

Recommendation:

In the previous year, our auditor, Kushner LaGraize, recommended that the Organization take the steps necessary to ensure proper segregation of duties. After June 30, 2024, the auditor confirmed that the organization implemented Positive Pay at our bank to ensure the Director of Finance does not have the ability to make electronic payments singly. As such, Kushner LaGraize had no further recommendations.

Management's Response:

SAUPs Written Policies and Procedures 9e, 10b, and 11

Management concurred with the recommendation. As sited above in the Auditor's recommendation, VIA LINK did implement Positive Pay at its bank. Consequently, this ensures the approval of disbursements of electronic funds by an authorized employee or official to sign checks. The implementation of Positive Pay corrects the issues cited in 9e, 10b, and 11.