

**HEALING HEARTS FOR
COMMUNITY DEVELOPMENT, INC.**

FINANCIAL STATEMENTS

June 30, 2017 and 2016



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WEGMANN DAZET & COMPANY

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Healing Hearts for Community Development, Inc.

We have audited the accompanying financial statements of Healing Hearts for Community Development, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Healing Hearts for Community Development, Inc. as of June 30, 2017 and 2016, 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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying summary of compensation, benefits, and other payments to agency heads is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2018 on our consideration of Healing Hearts for Community Development, Inc.'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 Healing Hearts for Community Development, Inc.'s internal control over financial reporting and compliance.

November 12, 2018

Wegmann Daxt + Company

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
STATEMENTS OF FINANCIAL POSITION

June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 27,427	\$ 11,047
Accounts receivable	26,842	61,020
Unrestricted promises to give	93,711	29,749
Other current assets	454	-
Total current assets	<u>148,434</u>	<u>101,816</u>
Property and equipment, at cost less accumulated depreciation	<u>268,763</u>	<u>273,701</u>
Total assets	<u><u>\$ 417,197</u></u>	<u><u>\$ 375,517</u></u>
LIABILITIES		
Line of credit	\$ 50,000	\$ 50,000
Accounts payable	30,736	43,627
Accrued payroll liabilities	10,460	31,984
Other payables	25,000	25,000
Other current liabilities	200	-
Current portion of long-term debt	19,992	-
Total current liabilities	<u>136,388</u>	<u>150,611</u>
Long-term debt, less current portion	<u>7,869</u>	<u>-</u>
Total liabilities	<u>144,257</u>	<u>150,611</u>
NET ASSETS		
Net assets - unrestricted	<u>272,940</u>	<u>224,906</u>
Total net assets	<u>272,940</u>	<u>224,906</u>
Total liabilities and net assets	<u><u>\$ 417,197</u></u>	<u><u>\$ 375,517</u></u>

See accompanying Notes to Financial Statements.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2017 and 2016

UNRESTRICTED NET ASSETS

	2017	2016
Unrestricted revenues and gains		
Contributions	\$ 185,582	\$ 211,553
Federal financial assistance	227,691	265,554
State financial assistance	96	50,214
Parish financial assistance	780	9,120
Program service fees	445,885	349,019
Other	<u>24,981</u>	<u>50,991</u>
Total unrestricted revenues and gains	<u>885,015</u>	<u>936,451</u>
Expenses		
Program services		
Addiction counseling	252,837	425,363
Prevention counseling	137,065	103,129
Mental health counseling	402,266	511,238
Supporting services		
Administrative and general	39,853	28,920
Loss on disposal	-	357
Interest expense	<u>4,960</u>	<u>2,573</u>
Total expenses	<u>836,981</u>	<u>1,071,580</u>
Increase (decrease) in net assets	<u>\$ 48,034</u>	<u>\$ (135,129)</u>
Net assets		
Beginning net assets	\$ 224,906	\$ 360,035
Change in net assets	<u>48,034</u>	<u>(135,129)</u>
End of year	<u>\$ 272,940</u>	<u>\$ 224,906</u>

See accompanying Notes to Financial Statements.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2017

	<u>Program Services</u>			<u>Supporting Services</u>	<u>Total</u>
	<u>Addiction Counseling</u>	<u>Prevention Counseling</u>	<u>Mental Health Counseling</u>	<u>Administrative & General</u>	
Administrative expenses	\$ -	\$ -	\$ -	\$ 2,430	\$ 2,430
Contract labor	1,549	1,711	2,647	589	6,496
Depreciation	5,286	2,803	8,549	-	16,638
Drug testing services	4,769	-	-	-	4,769
Insurance	20,228	10,730	32,078	7,004	70,040
Interest	-	-	-	4,960	4,960
Office supplies	3,766	7,310	7,477	1,618	20,171
Payroll expense - salaries	153,332	81,327	247,724	8,514	490,897
Payroll fees	2,042	1,083	3,238	707	7,070
Payroll taxes	12,087	6,412	19,168	4,184	41,851
Professional services	5,008	2,100	7,328	1,603	16,039
Rent	30,613	16,239	48,548	10,600	106,000
Repairs and maintenance	1,325	703	2,101	458	4,587
Software expense	8,551	4,536	13,830	-	26,917
Telephone	2,312	1,227	3,667	801	8,007
Travel	302	-	3,267	768	4,337
Utilities	1,667	884	2,644	577	5,772
Totals	<u>\$ 252,837</u>	<u>\$ 137,065</u>	<u>\$ 402,266</u>	<u>\$ 44,813</u>	<u>\$ 836,981</u>

See accompanying Notes to Financial Statements.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2016

	Program Services			Supporting Services	Total
	Addiction Counseling	Prevention Counseling	Mental Health Counseling	Administrative & General	
Administrative expenses	\$ -	\$ -	\$ -	\$ 4,084	\$ 4,084
Bad debt expense	3,378	821	5,179	-	9,378
Client resources	27	-	666	-	693
Contract labor	-	1,233	-	-	1,233
Depreciation	6,172	1,543	7,552	-	15,267
Drug testing services	4,843	18	46	-	4,907
Dues and subscriptions	1,341	335	1,714	-	3,390
Employee background check	235	124	177	-	536
Gifts	-	-	-	433	433
Licenses, inspections and fees	1,032	127	927	138	2,224
Loss on disposal	-	-	-	357	357
Insurance	36,130	2,856	43,820	3,107	85,913
Interest	-	-	-	2,573	2,573
Office supplies	4,415	981	4,970	1,042	11,408
Payroll expense - salaries	274,600	68,516	335,561	4,768	683,445
Payroll fees	1,314	328	1,574	358	3,574
Payroll taxes	20,587	5,266	25,570	46	51,469
Professional services	7,221	1,805	8,655	1,965	19,646
Promotional activities	2,309	554	2,912	-	5,775
Rent	38,965	9,742	46,693	10,600	106,000
Repairs and maintenance	5,538	996	4,832	1,083	12,449
Software expense	9,390	2,348	11,487	-	23,225
Telephone	2,420	605	2,900	658	6,583
Therapy supplies	-	3,532	321	-	3,853
Training	1,556	600	2,824	-	4,980
Travel	1,601	227	115	14	1,957
Utilities	2,289	572	2,743	624	6,228
Totals	\$ 425,363	\$ 103,129	\$ 511,238	\$ 31,850	\$ 1,071,580

See accompanying Notes to Financial Statements.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Changes in net assets	\$ 48,034	\$ (135,129)
Adjustments to reconcile to net cash provided (used) by operating activities:		
Depreciation	16,638	15,267
Loss on the disposal of assets	-	357
Donation of property and equipment	(11,700)	-
(Increase) decrease in operating assets:		
Accounts receivable	34,178	(39,965)
Unrestricted promises to give	(63,962)	17,170
Other receivables	-	654
Increase (decrease) in operating liabilities		
Accounts payable	(12,891)	24,453
Accrued payroll liabilities	(21,524)	1,953
Net cash used by operating activities	<u>(11,481)</u>	<u>(115,240)</u>
Cash flows from investing activities:		
Purchase of property and equipment	-	(16,424)
Proceeds from disposal of assets	-	3,000
Net cash used by investing activities	<u>-</u>	<u>(13,424)</u>
Cash flows from financing activities:		
Increase in other payables, net	-	25,000
Borrowings under line of credit	-	50,000
Borrowings under long-term debt	45,000	-
Repayments of long-term debt	(17,139)	-
Net cash provided by financing activities	<u>27,861</u>	<u>75,000</u>
Net increase (decrease) in cash	16,380	(53,664)
Cash and cash equivalents at beginning of year	<u>11,047</u>	<u>64,711</u>
Cash and cash equivalents at end of year	<u>\$ 27,427</u>	<u>\$ 11,047</u>

See accompanying Notes to Financial Statements.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2017 and 2016

1) Nature of activities

Healing Hearts for Community Development, Inc. (the Organization) is chartered in the state of Louisiana as a not-for-profit organization. The Organization provides social and emotional counseling and treatment and recovery support services for addictions for individuals and families throughout the New Orleans region. The Organization is supported primarily through donor contributions and grants.

2) Summary of significant accounting policies

The significant accounting policies followed by the Organization are summarized as follows:

(a) Financial statement of presentation

The financial statements are prepared on the accrual basis. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(b) Cash and cash equivalents

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

(c) Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions.

(d) Promises to give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

(e) Accounts receivable

The Organization uses the allowance method to determine uncollectible accounts receivable. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Accounts receivable is presented net of an allowance for doubtful accounts of \$32,353 and \$750 for the years ended June 30, 2017 and 2016, respectively.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2017 and 2016

2) Summary of significant accounting policies (continued)

(f) Income taxes

No provision for income taxes has been made since the Organization is exempt as a nonprofit organization pursuant to Section 501(c)(3) of the Internal Revenue Code. The Organization has no unrelated business income.

Management of the Organization believes there is no material uncertain tax position and, accordingly it will not recognize any liability for unrecognized tax benefits. With few exceptions, the Organization is subject to U.S. federal and state income tax examinations by tax authorities for a period of three years from the filing of those returns.

(g) Property and equipment

It is the Organization's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. 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, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is computed using the straight-line method over estimated useful lives as follows:

Furniture and equipment	3-7 years
Office equipment	5-7 years
Leasehold improvements	15-40 years

(h) Software implementation

Software implementation costs are stated at cost, which include the cost of developing, implementing and other direct cost attributed to the cost of new software. No provision for depreciation is made on software implementation cost until such time as the relevant assets are completed and put into use.

(i) 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and revenue and expenses during the period. Actual results could differ from those estimates.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2017 and 2016

2) Summary of significant accounting policies (continued)

- (j) Concentrations of credit risk
Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits.
- (k) Allocation of expenses
Administrative expenses and other overhead are allocated to program and supporting services by management on the basis of salaries from contract and employee counselors.
- (l) Donated property and equipment
Noncash donations are recorded as contributions at their fair value at the date of donations. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose.
- (m) Reclassification
Certain reclassifications have been made to the prior years' financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operations or net assets.

3) Federal financial assistance

The Organization has been awarded grants from the U.S. Department of Health and Human Services through the Jefferson Parish Human Services Authority and the Metropolitan Human Services District to provide counseling services to individuals with addictions. The grants are considered to be an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the years ended June 30, 2017 and 2016 are as follows:

	<u>2017</u>	<u>2016</u>
Grant receipts	\$ 133,980	\$ 255,803
Grant expenditures	227,691	265,554
Due from grant at end of the year	<u>\$ 93,711</u>	<u>\$ 9,751</u>

The due from grant as of June 30, 2017 and 2016 is included in "unrestricted promises to give" on the statements of financial position.

4) Operating leases

The Organization leases office space under a month-to-month lease. Total lease payments are \$2,000 per month. The Organization paid \$0- and \$12,000 in rent for the years ending June 30, 2017 and 2016, respectively.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2017 and 2016

4) Operating leases (continued)

During the years ended June 30, 2017 and 2016, the Organization received a non-cash donation of reduced rent of approximately \$106,000 and \$94,000, respectively, which has been included in rent expense in the financial statements of the Organization. Amounts have been recognized as revenues and expenses in the accompanying financial statements for the fair market value of the reduced rent.

5) Property and equipment

Property and equipment consists of the following:

	<u>2017</u>	<u>2016</u>
Furniture and fixtures	\$ 25,127	\$ 13,427
Office equipment	89,429	89,429
Leasehold improvements	304,019	304,019
Software implementation	10,500	10,500
Total cost	<u>\$ 429,075</u>	<u>\$ 417,375</u>
Accumulated depreciation	160,312	143,674
Property and equipment	<u><u>\$ 268,763</u></u>	<u><u>\$ 273,701</u></u>

6) Line of credit

The Organization has a revolving line of credit in the amount of \$50,000, with an expiration date of January 2, 2019. Borrowings under the line of credit bear interest (6.25% at June 30, 2017) and are based on the Wall Street prime rate plus 2% as described in the debt agreement.

7) Long-term debt

	<u>2017</u>	<u>2016</u>
A member of the board loaned the Organization \$30,000 during the year June 30, 2017. Monthly payments are approximately \$1,300 and include interest at a rate of 6.5%. The note matures December 2018.	\$ 22,861	\$ -
A non-interest bearing loan with an employee of the Organization for \$15,000. The loan was to be paid in full by December 2016, the Organization was extended the agreement.	5,000	-
Long-term debt	<u>27,861</u>	<u>-</u>
Less current portion	19,992	-
Long-term debt, less current portion	<u><u>\$ 7,869</u></u>	<u><u>\$ -</u></u>

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
NOTES TO FINANCIAL STATEMENTS

For the Years Ended June 30, 2017 and 2016

7) Long-term debt (continued)

The maturities of long-term debt are as follows:

2018	\$ 19,992
2019	7,869

8) Subsequent events

The Organization has evaluated subsequent events through the date of the auditors' report, the date on which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosures in these financial statements except as noted below.



WEGMANN DAZET & COMPANY

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

To the Board of Directors
Healing Hearts for Community Development, Inc.

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 Healing Hearts for Community Development, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 12, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of finding and response as item 2017-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Healing Hearts for Community Development, 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, the Louisiana Department of Health and Hospitals, and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Metairie, Louisiana
November 12, 2018

Wegmann Dayet + Company

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
SUMMARY OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD
For the Year Ended June 30, 2017

SUMMARY OF COMPENSATION

- None of the agency head's compensation was derived from state and/or local assistance.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
SCHEDULE OF FINDING AND RESPONSE
For the Year Ended June 30, 2017

SCHEDULE OF FINDING RELATED TO THE FINANCIAL STATEMENTS

Significant Deficiency

2017-001

Condition: Failure to provide audited financial statements to the State of Louisiana within the required six month time frame.

Criteria: Internal controls should be in place that provides reasonable assurance that the audit is completed and the report is submitted timely by management.

Recommendation: Procedures should be implemented to ensure that the audit is completed and submitted within the timeframe required by the State of Louisiana's audit law.

Views of Responsible Officials and planned Corrective Actions: Management of Healing Hearts for Community Development, Inc. agrees with the finding and has addressed the failure by engaging an accountant to perform the audit. Once the audit is completed, the audit report will be submitted.

HEALING HEARTS FOR COMMUNITY DEVELOPMENT, INC.
MANAGEMENT CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2017

Section I Internal Control and Compliance Materials to the General Purpose Financial Statements

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
2017-001 Failure in operation of internal controls: Failure to provide audited financial statements to the State of Louisiana within the required six month time frame.	<p>Management of the Healing Hearts for Community Development, Inc. has addressed this failure by engaging an auditor to perform the audit. Management will have the audited financial statements submitted to the State when the audit is completed.</p> <p>In the future, management will ensure that the audit is completed and submitted within the timeframe as required by the State of Louisiana's audit law.</p>