

START Corporation

Financial Statements
and Independent Auditor's Report
June 30, 2022 and 2021

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Financial Statements and
Independent Auditor's Report
June 30, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
START Corporation
Houma, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of START Corporation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of START Corporation as of June 30, 2022 and 2021, 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 (GAAS) 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of START Corporation 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 START Corporation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's 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 auditor's 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 audit 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 START Corporation'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 START Corporation'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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

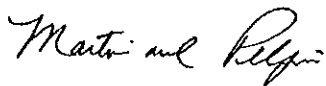
Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Program Revenues and Expenses for the year ended

June 30, 2022 on pages 26-32, the Schedule of Compensation, Benefits, and Other Payments to the Executive Director on page 33, and the accompanying Schedule of Expenditures of Federal Awards on pages 42 and 43, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are 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 Schedule of Program Revenues and Expenses, the Schedule of Compensation, Benefits, and Other Payments to the Executive Director, and the Schedule of Expenditures of Federal Awards are 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 January 6, 2023 on our consideration of START Corporation'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 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 effectiveness of 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 START Corporation's internal control over financial reporting and compliance.



Houma, Louisiana
January 6, 2023

FINANCIAL STATEMENTS

START Corporation
Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,322,363	\$ 2,471,124
Promises to give	3,984,722	4,536,440
Medicaid receivables	2,789,136	1,831,294
Medicare receivables	287,380	646,837
Other health-related receivables	967,203	735,404
Related party receivables	75,069	28,267
Other receivables	590	38,924
Inventory	48,605	-
Prepaid expenses and deposits	1,424,448	1,089,549
Total current assets	10,899,516	11,377,839
Property and equipment, net of accumulated depreciation of \$1,730,831 and \$1,467,062	6,399,397	4,284,046
TOTAL ASSETS	\$ 17,298,913	\$ 15,661,885
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 239,263	\$ 378,242
Accrued payroll and other liabilities	1,988,515	1,763,198
Current portion of capital lease obligation	167,699	175,582
Current maturities of long-term debt	163,557	22,537
Total current liabilities	2,559,034	2,339,559
Long-term liabilities		
Capital lease obligations, less current portion	278,575	328,386
Long-term debt, net of current maturities	4,105,549	2,054,081
Total long-term liabilities	4,384,124	2,382,467
Total liabilities	6,943,158	4,722,026
Net assets		
Without donor restrictions	10,230,755	10,814,859
With donor restrictions	125,000	125,000
Total net assets	10,355,755	10,939,859
TOTAL LIABILITIES AND NET ASSETS	\$ 17,298,913	\$ 15,661,885

See accompanying notes.

START Corporation
Statements of Activities
Years Ended June 30, 2022 and 2021

	2022			2021		
	Without Restrictions	With Restrictions	Total	Without Restrictions	With Restrictions	Total
REVENUES AND OTHER SUPPORT						
Grants and other funding	\$ 19,566,661	\$ -	\$ 19,566,661	\$ 18,320,619	\$ -	\$ 18,320,619
Medicaid revenue	12,531,439	-	12,531,439	11,977,988	-	11,977,988
Insurance revenue	1,364,477	-	1,364,477	896,537	-	896,537
Pharmacy revenue	1,009,370	-	1,009,370	695,345	-	695,345
Medicare revenue	967,371	-	967,371	790,292	-	790,292
Other income	276,399	-	276,399	65,811	-	65,811
Clinic revenue	249,206	-	249,206	183,178	-	183,178
Dental revenue	235,468	-	235,468	41,271	-	41,271
Program service and other fees	198,847	-	198,847	195,736	-	195,736
Income from related parties	96,844	-	96,844	93,565	-	93,565
Incentives	83,700	-	83,700	-	-	-
Interest and dividend income	688	-	688	96,074	-	96,074
Contributions	171	-	171	6,001	-	6,001
TOTAL REVENUES AND OTHER SUPPORT	36,580,641	-	36,580,641	33,362,417	-	33,362,417
FUNCTIONAL EXPENSES						
Program services	36,509,071	-	36,509,071	31,438,377	-	31,438,377
Supporting services						
Management and general	655,674	-	655,674	434,854	-	434,854
TOTAL FUNCTIONAL EXPENSES	37,164,745	-	37,164,745	31,873,231	-	31,873,231
OTHER INCOME						
Forgiveness of debt - PPP loan	-	-	-	1,921,714	-	1,921,714
INCREASE (DECREASE) IN NET ASSETS	(584,104)	-	(584,104)	3,410,900	-	3,410,900
NET ASSETS, BEGINNING OF PERIOD	10,814,859	125,000	10,939,859	7,403,959	125,000	7,528,959
NET ASSETS, END OF PERIOD	\$ 10,230,755	\$ 125,000	\$ 10,355,755	\$ 10,814,859	\$ 125,000	\$ 10,939,859

See accompanying notes.

START Corporation
Statements of Functional Expenses
Years Ended June 30, 2022 and 2021

	2022			2021		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries	\$ 17,840,722	\$ 258,937	\$ 18,099,659	\$ 14,379,623	\$ 165,149	\$ 14,544,772
Client assistance	5,402,854	-	5,402,854	7,298,399	300	7,298,699
Professional fees	2,855,895	30,791	2,886,686	2,638,952	6,384	2,645,336
Employee benefits	1,937,377	18,827	1,956,204	1,675,131	16,150	1,691,281
Supplies and materials	1,583,362	35,431	1,618,793	1,410,984	48,992	1,459,976
Bad debts	1,482,355	20	1,482,375	31,573	-	31,573
Payroll taxes	1,365,697	15,687	1,381,384	1,093,583	10,781	1,104,364
Insurance	653,795	12,308	666,103	483,729	18,060	501,789
Communications	435,984	155,116	591,100	357,481	94,370	451,851
Rent	497,825	146	497,971	331,681	5,102	336,783
Security	447,781	186	447,967	391,211	-	391,211
Depreciation	324,636	21,461	346,097	253,369	22,655	276,024
Maintenance and repairs	286,809	37,658	324,467	195,911	33,486	229,397
Travel	297,372	4,714	302,086	194,878	2,974	197,852
Licenses, taxes, and fees	249,465	37,024	286,489	36,483	(20,103)	16,380
Dues and subscriptions	220,984	896	221,880	299,962	3,855	303,817
Cost of sales	197,813	-	197,813	-	-	-
Stipends	121,684	-	121,684	117,949	-	117,949
Training	101,477	1,192	102,669	55,168	273	55,441
Utilities	67,425	1,785	69,210	58,541	2,908	61,449
Advertising	54,725	2,196	56,921	89,417	3,982	93,399
Interest	25,202	10,250	35,452	14,486	6,907	21,393
Miscellaneous	35,866	952	36,818	20,895	4,805	25,700
Postage and delivery	17,771	2,236	20,007	5,607	842	6,449
Bank charges	4,195	7,861	12,056	3,364	6,982	10,346
Total Expenses	\$ 36,509,071	\$ 655,674	\$ 37,164,745	\$ 31,438,377	\$ 434,854	\$ 31,873,231

See accompanying notes.

START Corporation
Statements of Cash Flows
Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase/(decrease) in net assets	\$ (584,104)	\$ 3,410,900
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	346,097	276,024
Gain on sale of property	(61,158)	-
(Increase)/decrease in operating assets:		
Promises to give	551,718	(689,171)
Medicaid receivables	(957,842)	(152,343)
Other receivables	119,190	(714,766)
Inventory	(48,605)	-
Prepaid expenses	(334,899)	289,288
Increase/(decrease) in operating liabilities:		
Accounts payable	(138,979)	88,438
Accrued payroll and other liabilities	225,317	634,631
	<u>(883,265)</u>	<u>3,143,001</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(2,505,290)	(1,249,913)
Proceeds from sale of property	105,000	-
	<u>(2,400,290)</u>	<u>(1,249,913)</u>
NET CASH USED IN INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from capital lease obligations	185,551	202,213
Principal payments of capital lease obligations	(243,245)	(148,281)
Proceeds from long-term debt	2,219,354	592,512
Principal payments of long-term debt	(26,866)	(1,942,940)
	<u>2,134,794</u>	<u>(1,296,496)</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,148,761)	596,592
BEGINNING CASH AND CASH EQUIVALENTS	<u>2,471,124</u>	<u>1,874,532</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 1,322,363</u>	<u>\$ 2,471,124</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 35,452</u>	<u>\$ 21,393</u>

See accompanying notes.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Nature of the Organization – START Corporation (START) operates as a non-profit organization which provides rehabilitation services, training, placement, employment, housing, medical services, and pharmacy services for individuals in the following regions: Bayou Region, Greater New Orleans Region, Greater Baton Rouge Region, North Louisiana, Central Louisiana, and Lafayette/Lake Charles Region.
- B. Basis of Presentation – The financial statements are prepared on the accrual basis in accordance with U. S. generally accepted accounting principles.
- C. Cash and Cash Equivalents – For purposes of the statement of cash flows, START considers all unrestricted cash and highly liquid investments with initial maturities of three months or less to be cash equivalents.
- 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 net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.
- E. Bad Debts – The financial statements of START Corporation contain no allowance for uncollectible receivables. Uncollectible accounts are recognized as an expense at the time information becomes available that indicates the amounts are uncollectible. While accounting principles generally accepted in the United States of America require that bad debts be recorded utilizing the allowance method, the difference between the two methods is immaterial to the Organization, as management has recorded all amounts deemed uncollectible as bad debt expenses and considers all remaining receivables to be fully collectible.
- F. Property and Equipment – Property and equipment of the Organization, excluding donated property and equipment, are valued at cost. All donated property and equipment are recorded at estimated fair market value on the date of the donation. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the assets. Depreciation expense for the years ended June 30, 2022 and 2021 was \$346,097 and \$276,024, respectively. Property and equipment acquisitions are capitalized if the purchase exceeds \$5,000 and the asset has a useful life of greater than one year.
- G. Net Assets – Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of START Corporation and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of START Corporation and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

H. Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by management. Principal programs are as follows:

- Supportive Housing Programs (SHP) – These permanent housing programs provide rental assistance and case management to qualifying participants, including those persons who are homeless, disabled, and victims of domestic violence. There is no timeframe for participation once enrolled in the program. Referrals come from the coordinated entry access points in the area. Services consist of skills training, education about disabilities, and assistance in accessing community resources, among other things. The programs included are: Fresh Start, Visions II, Starting Over, Safe Start 1, and Starting Point.
- Coordinated Entry – This program is a process developed to ensure that all people experiencing a housing crisis have fair and equal access. It is a system to coordinate intake, assessment, and referral to resources for all people experiencing homelessness and at-risk of homelessness in its geography. This program seeks to provide people experiencing homelessness with the fastest possible access to housing while prioritizing the limited housing resources to those people who have the greatest need and length of time (LOT) being homeless.
- Shelter + Care Programs – These programs are designed to provide housing and supportive services to individuals and families with disabilities that meet HUD’s definition of homelessness and have a physical, developmental, or behavioral disability as defined by each specific program. These programs work closely with Permanent Supportive Housing. Services are available in Houma, New Orleans, Jefferson Parish, Northshore, and Lafayette.
- Community-Based Recovery Services (CBRS) – This program is provided to people needing supports to live independently in the community. In addition to the Community Based Recovery Services, participants may receive a housing voucher or subsidized housing unit as part of their individualized service package. Recovery is strengthened and supported by having safe and stable housing, access to basic needs, being a part of a supportive social network, and having meaningful interests and activities. Qualifying participants include people with behavioral health related issues, physical disabilities, or developmental disabilities. The services are available in New Orleans, Baton Rouge, and Thibodaux.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

- Unity Family Rapids – This is a Continuum of Care rapid rehousing program, which is funded through a subcontract with Unity of Greater New Orleans, Inc. This program provides rental assistance and supportive services to families that become homeless.
- Permanent Supportive Housing (PSH) – These supportive services are community-based and are provided along with safe, affordable, permanent housing. Best practice PSH services are individualized, flexible, and responsive to the needs of the individual. These services are available when needed, prior to, during, and after the individual has moved into housing and accessible where the individual lives. The services are available in New Orleans, Baton Rouge, Thibodaux, North Louisiana, and Northshore.
- The Network – This program provides Homeless Management and Information System (HMIS) and outreach to support the local Continuum of Care Program.
- TANF Homeless Initiative – This program provides rapid rehousing to homeless families in the New Orleans area.
- Supportive Services for Veteran Families (SSVF) – This program provides housing services to veterans or veterans with families to prevent homelessness or assist with securing permanent housing options. SSVF can provide rental assistance or security deposits to establish permanent housing for veterans and their families that are currently homeless.
- Community Health Center Services – Federally Qualified Health Clinics (FQHC) provide primary, mental health, and dental care services through this program. The program's focus is to increase access to care for homeless persons, veterans, people with low-income, and others in the community. The clinics consist of physicians, nurse practitioners, and licensed social workers. The clinics are located in Houma, New Orleans, Baton Rouge, Covington, and Mandeville.
- Assertive Community Treatment (ACT) – ACT is an evidence-based practice that improves outcomes for people with severe mental illness who are most at-risk of homelessness, psychiatric crisis, hospitalization, and involvement in the criminal justice system. Combining the interdisciplinary fields that deal with mental illness and substance abuse, ACT helps a person outside the hospital or rehabilitation center. The Organization's ACT services are available in Houma, Northshore, Baton Rouge, New Orleans, and Thibodaux. The Partners in Health (PIH) program is similar to ACT and is available in Baton Rouge and New Orleans.
- Housing Development – This program is designed to assist in the recovery of individuals with serious mental illness by providing the necessary technical and practical support in locating and providing safe, secure, and affordable housing.
- Beautiful Beginnings Shelter – This program provides temporary shelter to homeless families with children. Families accepted into the shelter are provided with resources and supports to assist with employment and working towards permanent housing options.
- Baton Rouge Disaster Rapid Rehousing/Monroe Disaster Repaid Rehousing – These housing programs provide services to individuals and families ages 18 and over who are homeless as a result of the Great Flood of 2016. These programs draw on the components of the Housing First and Rapid Rehousing Models.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

- One Stop – This program is designed to prevent and end unsheltered homelessness in Baton Rouge and to provide services to people experiencing homelessness or those at risk of homelessness.
- Emergency Solutions Grant for the Homeless – Baton Rouge – This program implements ESG-eligible activities related to emergency shelter of homeless persons, including building rehabilitation, shelter and related services, street outreach, Homeless Information Management System (HMIS), rapid re-housing, and homeless prevention.
- Grant Per Diem for Veterans (GPD) – GPD provides transitional housing and support services to single homeless veterans. There are currently 21 units designed to stabilize housing while exploring permanent housing options. Veterans are provided intensive case management services, transportation and supports with public resources, and benefits. GPD covers the TLC, New Start Veterans Center, and Veterans Shelter programs.
- Safe Start II – This program is a transitional housing program designed to assist victims of domestic violence and/or sexual assault to relocate to a safe environment away from their abusers.
- YouthBuild Program – This program is a comprehensive youth and community development program. YouthBuild simultaneously addresses several core issues facing low-income communities: education, housing, jobs, and leadership development. It uniquely addresses the status of unemployed young men and women who have dropped out of school and have no apparent path to a productive future. Program components include: 1) educational and job training services; 2) leadership training, counseling, and other support activities; and 3) on-site training through actual housing rehabilitation or construction work.
- IDJC Rental Assistance – This rapid rehousing program is for residents who are relocating from the Isle de Jean Charles Native American Community. This program provides case management and rental assistance to qualified participants.
- Functional Family Therapy (FFT and FFT-CW) – This program provides for the youth and/or families in need of intensive in-home therapy and focuses on assessment and intervention to address risk and protective factors within and outside of the family that impact the adolescent and his or her adaptive development. FFT and FFT-CW follows the FFT model developed by FFT, L.L.C. Generalization provides the family with the opportunity to learn how to use the skills taught in behavior change in different areas of their life, including school, work, or in community settings.
- Homebuilders – This program is an intensive in-home crisis intervention and family treatment program designed to keep children and families safe, prevent the unnecessary out-of-home placement of children, and to safely reunify children and families.
- Multisystemic Therapy (MST) – This program follows the evidenced-based MST model by MST Services. It identifies referral behaviors and drivers to those behaviors to develop individualized interventions and provides individualized services to the entire family. This program serves the 12-17 year-old population.
- New Start Housing – This program provides rental assistance and supportive services through a sub-contract with Unity of GNO for homeless persons with mental illness.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

- Low Barrier Shelter – This is a 100-bed shelter that uses low barrier entry to provide emergency shelter and engagement services to residents in New Orleans.
- Unity Rapid Rehousing and Home at Last Consolidated – The purpose of these projects is to provide case management and supportive services for homeless persons with mental illness in a low-demand setting. Supportive services will focus on gradually engaging the consumer in the rehabilitation process with the overall goal of the consumer attaining Medicaid.
- Rapid Rehousing to Reduce Unsheltered Homelessness – This program plays a key role in the Organization’s Continuum of Care efforts to reduce the unsheltered homeless population. The project provides rental assistance and supportive services to unsheltered homeless individuals and/or families living on the street or in abandoned buildings in New Orleans, Jefferson Parish, or Kenner.
- Problem Solving – This program provides strengths-based coordinated entry services assisting people at or any time after entry into homelessness to quickly resolve their homelessness, returning them to permanent housing.
- Homeless Prevention – This program assists individuals in maintaining housing stability after they have seen a loss or reduction in income due to the pandemic.
- Youth Outreach and Coordinated Entry – This program provides a coordinated system to assess and navigate transition age homeless youth (between the ages of 18-24) to permanent housing as quickly as possible.
- Continuum of Care (CoC) Rapid Rehousing – This program provides rental assistance and supportive services to homeless people within the CoC geography. START Corporation acts as the subsidy administrator in this program through contract with Louisiana Housing Corporation.
- Department of Corrections Home – This program assists low-income tenants of the State of Louisiana by providing rental subsidy, security and utility deposit assistance to tenants as a grant, and assistance to prospective tenants regarding landlord/tenant responsibilities, methods of locating suitable units, and equal housing opportunity laws.
- Balance of State Permanent Supportive Housing (BOS PSH 1) – This program provides permanent supportive housing to people who are experiencing chronic homelessness, unaccompanied youth, and veterans. The goal of the project is to assist participants to achieve and maintain self-sufficiency in permanent housing.
- Balance of State Permanent Supportive Housing (BOS PSH 2) – This program provides permanent supportive housing to participants to achieve and maintain self-sufficiency in permanent housing.
- Transitional Living Program (TLP) – TLP is a program that implements effective strategies for the successful transition to sustainable living and increased well-being for runaway and homeless youth ages 17 to 22 years old. START Corporation assists with finding housing and provides assistance with rent deposits and utility payments when starting in the program. The program has a length of no more than 540 days with a year of follow-up time. START Corporation also assists with referring clients to other resources and providing assistance with snap benefits, Medicaid coverage, and other needs the client may have. START Corporation helps clients seek employment opportunities and helps to further their education if desired.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

- Start Up/Housing Opportunities for Persons with Persons with Aids (HOPWA) – The Housing Opportunities for Persons with AIDS (HOPWA) Program is a Federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA Program, HUD makes grants to local communities, states, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS and their families.
- Promoting Integration of Primary and Behavioral Health Care (PIPBHC) – This program provides prevention, treatment, and recovery support services to adults with mental illness who have co-occurring physical health conditions/chronic diseases and adults with a substance use disorder.
- Mandeville Group Home – This is a transitional group home for adults with severe and present mental illness. Residents are transitioned from a higher level of care, most often inpatient psychiatric facilities, to eventually live independently. The maximum amount of time in the homes is two years, and the Organization’s team works to teach residents how to independently conduct their activities of daily living, increase socialization and medication adherence, and learn tasks to obtain and maintain permanent independent housing.
- Pecan Acre/Silver Leaf Rapid Rehousing Program – Under this program, residents are relocated from the Pecan Acre and Silver Leaf Community. This program provides case management and rental assistance to qualified participants.
- Ryan White Program – Under this program, outreach workers go into the community, shelters, group homes, and local jails to perform rapid tests for HIV, Hepatitis C, and sexually transmitted diseases. The outreach workers connect them to primary and behavioral care as needed in Southeast Louisiana.
- Direct Relief Program – Under this program, Federally Qualified Health Clinics and their members are given supplies and medications to provide as a free service to START CHC patients.
- Crisis Receiving Center – This center provides individuals experiencing a behavioral health crisis a less intrusive, best-supported service that will reduce the need for longer-term hospital stays and readmissions.
- Pharmacy – The pharmacy is a 340B federal program that requires pharmaceutical manufacturers to sell drugs to eligible providers at a discount for outpatient use. The START Corporation Pharmacy providers prescribe medications to patients, including those with commercial insurance. The insurer reimburses at full negotiated rates. The resulting higher margin provides the START Corporation Pharmacy with additional resources to expand patient care. START Corporation implemented and opened this pharmacy in November 2021 at its 235 Civic Center Blvd location.
- Hypertension Program – This part of the Health Center helps individuals monitor their blood pressure by giving them access to blood pressure monitors for home use and blood pressure monitors that will record the pressures and send directly to their physicians.
- COVID-19 Funding – On January 30, 2020, the World Health Organization declared the COVID-19 “Coronavirus” outbreak a public health emergency. The Organization has received funding under American Rescue – HRSA to assist with this crisis situation.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

- Start Testing – This program is to improve access and uptake of COVID-19 testing among persons experiencing homelessness and persons at risk of homelessness in three southeastern Louisiana parishes: Terrebonne, Orleans, and East Baton Rouge. START purposefully addresses the need for medical outreach to the vulnerable who present COVID-19 symptoms and have greater risk of poor health outcomes and to disrupt further spread of COVID-19 among undomiciled populations.
- Womanspace – The purpose of this contract is to operate a safe haven for 12 homeless people who are women or transgender with serious mental illness providing a 24-hour residence with low demand needs. This Safe Haven Program is an important first step in the Continuum of Care for women who have been unable to meet the criteria of admission to other programs because of mental illness. Policies and practices give preference to chronically homeless women. In addition to housing, the program will provide case management, substance abuse and mental health services, and life skills training for participants in the program.
- Louisiana Children’s Trust Fund – This program supplements Homebuilders and eliminates barriers to service whole families using research-based interventions to improve parental skills/capabilities, safety and family interaction while working to prevent out-of-home placements.
- Ending Homelessness – This program is to further the goal of preventing and ending unsheltered homelessness in Baton Rouge. The funds are utilized for activities related to providing services to people experiencing homelessness or at-risk of homelessness, including, but not limited to, expansion of the client computer lab, increased emphasis on community outreach, and health and housing navigation for the One Stop Homelessness Services Center.
- SSVF Shallow Subsidy – The SSVF Shallow Subsidy service provides rental assistance to very low-income and extremely low-income Veteran households who are enrolled in SSVF’s Rapid Rehousing or Homeless Prevention projects. It is likely that most participants will have already received rental assistance via traditional SSVF projects (Rapid Rehousing or Homeless Prevention) but remain rent-burdened. Under the Shallow Subsidy service, SSVF grantees provide rental assistance payments to landlords on behalf of the Veteran household. The rental assistance is at a fixed rate every month, regardless of changes in the Veteran household’s income or monthly rent amount. SSVF grantees are also expected to offer light case management services but may adjust as needed. For SSVF’s Shallow Subsidy service, the maximum amount of rental subsidy that can be provided on behalf of the Veteran household is up to 50% of rent on a unit that is deemed rent-reasonable.
- Vaccine Team – The goal of this program is to reach out to the homeless population and rural areas to educate and promote COVID-19 vaccinations.
- Low Barrier Shelter – 3rd Floor – This program is an expansion of the other low barrier shelter adding an additional 150 beds for a total of 350 beds.
- ODMAP Community Fund Grant – These funds were used to create information over channels that can share information during an overdose spike as indicated by Overdose Detection Mapping Application Program (ODMAP), including a community alert system,

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

to provide education on harm reduction strategies to high-risk areas, and to distribute resource cards and supplies to high-risk communities.

- Terrebonne Housing Action Team (THAT) – START Corporation worked in conjunction with Terrebonne Parish to help to provide rapid re-housing and outreach services for victims displaced by Hurricane Ida.
 - START Mobile Action Response (START) – This program focuses on supporting the implementation of crisis services associated with the Louisiana Crisis Response System. The services associated with this system are purposely person and family-centered, strength-based, and resolution-focused with less reliance on law enforcement, hospitalization, and emergency departments as the safety of each situation allows.
 - CHW Community-Based Vaccination Program – The goal is to have a community-based workforce to increase COVID-19 vaccinations in underserved communities. The community healthcare worker completes a week-long training to help better understand the population being served.
 - Supplemental Low Barrier – Funds are used to prevent, prepare for, and respond to the Coronavirus pandemic among individuals and families who are homeless or receiving assistance and to support additional homeless assistance and Rapid Rehousing activities to mitigate the impacts of COVID-19.
 - Regional Hubs – The purpose of this program is to launch a Regional Recovery Hub as part of an overall initiative to develop a statewide network of peer recovery support services, recovery coaches, public education, prevention efforts, and advocacy. The recovery hubs will expand Northwest Louisiana, New Orleans Metropolitan area, Baton Rouge area, and Florida Parishes areas' ability to connect its residents with mental health and substance use disorders to treatment and recovery supports and will be able to assist individuals regardless of where someone is in their recovery journey. No affiliation with any treatment facility or healthcare provider is required for access allowing the broadest range of individuals to gain entry.
- I. Advertising – Advertising costs are expensed as incurred. Advertising expense totaled \$56,921 and \$93,399, respectively, for the years ended June 30, 2022 and 2021.
- J. Annual and Sick Leave – All full-time, full-year employees are eligible for annual leave based upon years of service: 96 hours per year for less than five years of service, 112 hours per year for five to nine years of service, and 136 hours per year for at least ten years of service. Annual leave vests to the employee and, accordingly, has been accrued as a liability in the statement of financial position. As of June 30, 2022 and 2021, accrued leave equaled \$426,768 and \$402,119, respectively.
- All full-time, full-year employees are eligible for sick leave, which is earned up to a maximum of 96 hours per year. Employees cannot accumulate more than 96 hours of sick leave at any given time. Upon termination, any unused sick leave is forfeited; therefore, no accrual has been made for unused sick leave.
- K. Income Taxes – START Corporation is a not-for-profit, voluntary health and welfare agency exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation under Section

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

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

509(a)(1) of the Internal Revenue Code and qualifies for the 50% charitable contributions deduction for individual donors.

- L. Net Service Revenue – START Corporation entered into an agreement under one of its grant programs and is reimbursed based upon established charges. Net service revenue under this program is reported at the estimated net realizable amounts from services provided. Settlements under its reimbursement agreement are estimated and recorded in the period the related services are rendered and are adjusted in future periods as final settlements are determined.
- M. Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- N. Recent Pronouncement – In January 2016, the FASB issued ASU 2016-02, Leases (Topic 842). ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize on the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 is effective for financial statements issued for annual periods beginning after December 15, 2021. The Organization has not determined the impact ASU 2016-02 will have on its financial statements.

NOTE 2 – FAIR VALUES OF FINANCIAL INSTRUMENTS

The Organization's financial instruments, none of which are held for trading purposes, include cash and cash equivalents, promises to give, receivables, accounts payable, capital lease obligations, and notes payable. Management estimates that the fair value of all financial instruments as of June 30, 2022, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

NOTE 3 – UNCERTAIN INCOME TAXES

The Organization's 2020 tax return was filed appropriately. As of December 2022, the Organization had not filed its 2021 tax return as the filing due date had been extended to May 15, 2023. The Organization recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The Organization's tax filings are subject to audit by various taxing authorities. The Organization's open audit period is 2018 to 2021. Management has evaluated the Organization's tax position and concluded that the Organization has taken no uncertain tax positions that require adjustment to the financial statements to comply with provisions of this guidance.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 4 – CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of promises to give due from various departments of the federal government and the State of Louisiana. Because these receivables are passed through support from the federal or state government, the Organization requires no collateral for these amounts.

START Corporation maintains its cash in three financial institutions located in Louisiana. The Federal Deposit Insurance Corporation (FDIC) insures the balances up to \$250,000 at these institutions. At times, bank balances may exceed the \$250,000 insurance limits. Management does not believe the Organization has significant risks as related to bank deposits.

NOTE 5 – PROMISES TO GIVE

Promises to give as of June 30, 2022 and 2021 consist of the following:

	2022	2021
Louisiana Housing Corporation	\$ 755,860	\$ 1,590,956
City of New Orleans	750,088	454,561
Unity of Greater New Orleans, Inc.	619,413	711,521
State of Louisiana -		
Department of Health -		
Office of Behavioral Health	470,306	93,587
Office of Public Health	-	34,175
Department of Children and Family Services	39,726	62,407
Louisiana Children's Trust Fund	5,391	-
U.S. Department of Veteran Affairs	355,005	644,461
Health Resources and Services Administration	324,303	177,807
Capital Area Alliance for the Homeless	199,499	63,328
St. Tammany Parish Government	165,079	85,149
U.S. Department of Housing and Urban Development	102,605	154,892
Terrebonne Parish Consolidated Government	84,215	12,594
Community Development Block Grants	72,726	103,852
City of Baton Rouge	30,100	191,899
Louisiana Primary Care Association, Inc.	9,752	-
Other funding	654	-
Society of St. Vincent de Paul of Baton Rouge	-	100,000
U.S. Department of Labor	-	40,012
Administration for Children and Families/Family and Youth Services Bureau	-	15,239
	<u>\$ 3,984,722</u>	<u>\$ 4,536,440</u>

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 6 – PROPERTY AND EQUIPMENT

A summary of changes in property and equipment follows:

	July 1, 2021	Additions	Retirements/ Reclassifications	June 30, 2022
Buildings	\$ 2,697,511	\$ 3,044,993	\$ (90,275)	\$ 5,652,229
Leasehold improvements	375,624	30,475	-	406,099
Furniture and fixtures	498,961	67,067	-	566,028
Vehicles	959,111	187,486	(132,102)	1,014,495
Software license	-	11,500	-	11,500
Land	262,357	-	(10,030)	252,327
Construction in process	957,544	221,601	(951,595)	227,550
	<u>5,751,108</u>	<u>3,563,122</u>	<u>(1,184,002)</u>	<u>8,130,228</u>
Accumulated depreciation	(1,467,062)	(346,097)	82,328	(1,730,831)
Net property and equipment	<u>\$ 4,284,046</u>	<u>\$ 3,217,025</u>	<u>\$ (1,101,674)</u>	<u>\$ 6,399,397</u>

Construction in process consists of two houses and related renovations to be utilized in the Organization's programs.

NOTE 7 – LINES OF CREDIT

The Organization has a revolving line of credit agreement with a local bank to aid in cash flow management. The agreement, dated June 28, 2022, includes a borrowing limit of \$650,000, an interest rate of Wall Street Journal prime plus 1.50 percentage points (6.25% as of June 30, 2022) on outstanding balances, is secured by real estate, and matures on June 28, 2025, when all outstanding principal and interest is due. As of June 30, 2022, the Organization has no balance due on this line of credit.

The Organization has a second revolving line of credit agreement with a local bank to aid in construction. The agreement, dated June 28, 2022, includes a borrowing limit of \$150,000, an interest rate of Wall Street Journal prime plus 1.50 percentage points (6.25% as of June 30, 2022) on outstanding balances, is secured by real estate, and matures on June 28, 2023, when all outstanding principal and interest is due. As of June 30, 2022, the Organization has no balance due on this line of credit.

NOTE 8 – CAPITAL LEASES

START Corporation leases thirty-three vehicles. The leases are considered to be capital leases. The cost of the vehicles under these leases equaled \$912,351 at the inception of the leases and is included in property and equipment and depreciated accordingly. For the year ended June 30, 2022, depreciation expense associated with the capital leases was \$146,111. The related accumulated depreciation was \$384,344 as of June 30, 2022.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 8 – CAPITAL LEASES (Cont.)

The monthly lease obligation for each lease ranges from \$326 to \$802. The leases mature through April 30, 2027. Future minimum lease payments related to these leases are as follows:

June 30,		
2023	\$	167,699
2024		138,698
2025		75,111
2026		52,949
2027		11,817
	\$	446,274

NOTE 9 LONG-TERM DEBT

As of June 30, 2022 and 2021, long-term debt consisted of the following:

	2022	2021
<p>Note payable to a local bank. The note is collateralized by real estate and includes an interest rate of 4.50% for the first 60 payments and will adjust to the Wall Street Journal prime rate plus 1.00 percentage point thereafter. The note includes 60 monthly principal and interest payments of \$11,539 beginning June 13, 2022 and 240 monthly principal and interest payments of \$12,043 beginning June 13, 2027, and matures on May 13, 2047.</p>	\$ 2,057,544	\$ -
<p>Note payable to the Federal Home Loan Bank of Dallas in connection with the Affordable Housing Program grant discussed below. The loan may be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of Federal Home Loan Bank of Dallas.</p>	750,000	592,512
<p>Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by buildings and land and includes no interest. The project was completed in November 2015 and serves as affordable rentals. Fifty percent of the note is payable in monthly installments of \$916 through January 1, 2047. The remaining 50%, or \$329,688, will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.</p>	587,944	598,933
<p>Two notes payable to Terrebonne Parish Consolidated Government. The notes are collateralized by buildings and land and include no interest. The project was completed in September 2014 and serves as affordable rentals. Fifty percent of the notes is payable in monthly installments of \$391 through December 12, 2044. The remaining 50%, or \$140,755, will be deferred, interest-free loans that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.</p>	245,930	251,622

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 9 – LONG-TERM DEBT (Cont.)

	2022	2021
Note payable to Louisiana Housing Finance Agency. The note is collateralized by a 12-unit housing complex located at 137 New Orleans Boulevard in Houma, Louisiana. The note includes no interest, is payable through April 1, 2024, and is payable as described below.	175,000	175,000
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by buildings and land and includes no interest. The project was completed in December 2017 and serves as affordable rentals. Fifty percent of the note is payable in monthly installments of \$210 through April 1, 2049. The remaining 50%, or \$75,431, will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	142,690	144,343
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by buildings and land and includes no interest. The project was completed in November 2015 and serves as affordable rentals. Fifty percent of the note is payable in monthly installments of \$204 through September 1, 2047. The remaining 50%, or \$73,264, will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	134,726	137,168
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due January 1, 2029. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	79,746	81,514
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due March 1, 2023. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	40,059	40,059
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due August 1, 2022. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	28,001	28,001
Note payable to Terrebonne Parish Consolidated Government. The note is collateralized by building and land and is due August 1, 2022. This portion will be a deferred, interest-free loan that will be forgiven upon expiration of the compliance period, determination of which will be within the sole discretion of TPCG.	27,466	27,466
	4,269,106	2,076,618
Less current maturities of long-term debt	(163,557)	(22,537)
	\$ 4,105,549	\$ 2,054,081

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 9 – LONG-TERM DEBT (Cont.)

START Corporation constructed a twelve-unit complex in 2010 which serves as transitional housing for homeless veterans. This project was funded through a grant from the Department of Veterans Affairs, a \$125,000 direct subsidy from the Federal Home Loan Bank of Dallas' Affordable Housing Program, and a \$175,000 note payable to the Louisiana Housing Finance Agency (Agency). Note payments to the Agency are due annually commencing April, 1, 2010 in the amount equal to 50% of Surplus Cash, provided, however, that all payments due hereunder shall be payable only out of and to the extent of the Surplus Cash to be determined by the Agency and after a cash distribution to START of not more than \$10,000. If the Project has been maintained as safe, decent, and sanitary affordable housing under the regulatory agreement, the balance of this note shall be forgiven on April 1, 2024 (the note's maturity date).

June 30,		
2023	\$	163,557
2024		244,900
2025		72,357
2026		74,678
2027		77,107
Thereafter		3,636,507
Total	\$	4,269,106

NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2022 and 2021 relate to a direct subsidy received from the Federal Home Loan Bank of Dallas through its Affordable Housing Program (AHP) in the amount of \$125,000. The subsidy was used in the construction of the twelve-unit complex in 2010 described in Note 9. A deed restriction was recorded on the property for a period of fifteen years through January 21, 2025. The project's rental units must remain occupied by and affordable for households with income at or below the levels committed to be served in the AHP application for the duration of the retention period. The deed restriction contains certain restrictions should the property be sold or refinanced during the fifteen years.

NOTE 11 – GRANTS AND OTHER FUNDING

During the years ended June 30, 2022 and 2021, the Organization recognized grant revenue in the form of reimbursements for actual expenses and on a unit of service basis from the following sources:

	2022	2021
U.S. Department of Housing and Urban Development		
Continuum of Care Program	\$ 1,926,472	\$ 1,832,708
Passed through Unity of Greater New Orleans, Inc.		
Continuum of Care Program	4,031,792	3,651,812
Emergency Solutions Grant Program	274,105	109,370

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 11 – GRANTS AND OTHER FUNDING (Cont.)

	2022	2021
Passed through Louisiana Housing Corporation		
Continuum of Care Program	1,656,845	1,489,761
Emergency Solutions Grant Program	690,237	-
Community Development Block Grant - Disaster Recovery	-	257,008
National Disaster Resilience Competition	-	123,898
Passed through City of New Orleans		
Emergency Solutions Grant Program	1,589,865	1,535,313
Community Development Block Grants/Entitlement Grants	205,666	-
Passed through Louisiana Department of Health		
Community Development Block Grants/Entitlement Grants	1,018,356	1,308,285
Passed through Terrebonne Parish Consolidated Government		
Emergency Solutions Grant Program	233,336	87,459
Passed through Capital Area Alliance for the Homeless		
Community Development Block Grants/Entitlement Grants	156,526	-
Passed through City of Baton Rouge - East Baton Rouge Parish		
Housing Opportunities for Persons with AIDS	95,037	607,908
Passed through Society of St. Vincent de Paul of Baton Rouge		
Emergency Solutions Grant Program	-	100,000
Passed through Jefferson Parish Housing Authority		
Continuum of Care Program	-	47,310
U.S. Department of Health and Human Services		
Health Resources and Services Administration		
Grants for New and Expanded Services Under the Health Center Program	2,254,185	2,526,496
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	64,255	74,472
Passed through State of Louisiana Department of Health		
Office of Behavioral Health		
Substance Abuse and Mental Health Services - Projects of Regional and National Significance (47% Federal)	606,743	527,772
Office of Public Health		
STD/HIV Program	28,945	36,295
Passed through State of Louisiana Department of Children and Family Services		
Temporary Assistance for Needy Families	337,584	257,262
Passed through Administration for Children and Families/Family and Youth Services Bureau		
Transitional Living for Homeless Youth	56,361	220,068
Passed through Duke University		
Trans-NIH Research Support	49,500	-
U.S. Department of Veteran Affairs		
VA Supportive Services for Veterans Families Program	2,284,647	2,128,182
VA Homeless Providers Grant and Per Diem Program (New Start for Veterans)	379,408	330,022

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 11 – GRANTS AND OTHER FUNDING (Cont.)

	<u>2022</u>	<u>2021</u>
St. Tammany Parish Government	504,165	167,017
U.S. Department of Labor/YouthBuild Program	426,676	471,576
Louisiana Housing Corporation	323,602	-
U. S. Department of Agriculture		
Passed through State of Louisiana Department of Health Office of Public Health Bureau of Nutrition Services	227,748	240,015
Louisiana Department of Health/Office of Behavioral Health	39,416	-
LPHI ODMAP Community Fund	30,000	-
Louisiana Children's Trust Fund	25,000	-
Capital Area Alliance for the Homeless	18,344	63,328
Louisiana Primary Care Association, Inc.	15,500	-
Terrebonne Parish Consolidated Government	10,628	34,566
Other funding	3,767	2,091
Louisiana State University Health Sciences Center	1,950	10,125
Bob Woodruff Foundation	-	45,500
Centene Corporation	-	25,000
Louisiana Public Health Institute	-	10,000
Total	<u>\$ 19,566,661</u>	<u>\$ 18,320,619</u>

NOTE 12 – OPERATING LEASES

START Corporation leases office space in the region under operating leases expiring in various years through 2027. Rental payments of \$497,971 and \$336,783 were included in rent expense for the year ended June 30, 2022 and 2021, respectively.

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

<u>June 30,</u>	
2023	\$ 382,542
2024	114,508
2025	100,000
2026	72,000
2027	18,000
	<u>\$ 687,050</u>

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 13 – MANAGEMENT, BOOKKEEPING REVENUES, AND RELATED PARTIES

START Corporation entered into a management and bookkeeping agreement with Taddy Village, Inc., a not-for-profit corporation providing housing to mentally ill individuals in Houma, Louisiana. START provides management and bookkeeping services for \$500 plus 5% of Taddy Village, Inc.'s total lease revenue per month. START will also provide an on-site manager for \$1,800 per month. Either party may terminate the agreement at any time with a thirty-day notice. Revenues earned under this agreement amounted to \$31,092 and \$29,336 for the years ended June 30, 2022 and 2021, respectively. Certain board members of START are also board members of Taddy Village, Inc.

START Corporation entered into a management and bookkeeping agreement with Larke Village, Inc. START provides management and bookkeeping services for \$200 plus 7% of Larke Village, Inc.'s total lease revenue per month. START will also provide an on-site manager for \$750 per month. Either party may terminate the agreement at any time with a ninety-day notice. Revenues earned under this agreement amounted to \$15,837 and \$11,737 for the years ended June 30, 2022 and 2021, respectively. Certain board members of START are also board members of Larke Village, Inc.

START Corporation entered into a management and bookkeeping agreement with Sunshine Village Housing Corporation of Slidell, Inc. effective July 1, 2017. START provides management and bookkeeping services for \$900 plus 5% of Sunshine Village, Inc.'s total lease revenue per month. START will also provide an on-site manager for \$2,750 per month. Either party may terminate the agreement at any time with a thirty-day notice. Revenues earned under this agreement amounted to \$49,915 and \$52,492 for the years ended June 30, 2022 and 2021, respectively. Certain board members of START are also board members of Sunshine Village, Inc.

NOTE 14 – EMPLOYEE BENEFIT PLAN

START Corporation has a defined contribution 403(b) salary deferral plan covering substantially all employees. Under the plan, START contributes three percent of each eligible employee's salary. Employer contributions for the years ended June 30, 2022 and 2021 were \$195,936 and \$199,242, respectively.

NOTE 15 – COMMITMENTS, CONTINGENCIES, AND ECONOMIC DEPENDENCY

START Corporation receives a substantial portion of its revenues from federal and state grants and contracts which are subject to audit by the federal or state grantor. The ultimate determination of amounts received under these programs generally is based on units of service provided or allowable costs reported to and audited by the applicable granting agency. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable cost and service reimbursement. Management is of the opinion that no material liability will result from such audits.

START Corporation
Notes to Financial Statements
Years Ended June 30, 2022 and 2021

NOTE 16 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of June 30, 2022, reduced by any amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations:

Current assets	\$ 10,899,516
Less those unavailable for general expenditures within one year:	
Prepaid expenses	(1,424,448)
Donor restrictions for specific purposes	<u>(125,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 9,350,068</u>

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, January 6, 2023. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

On October 21, 2022, the Organization received a grant of \$5,000,000 from the Northern Trust Charitable Giving Program. The Organization is to use the funds and any earnings thereon to pursue solutions to family homelessness with a strong focus on providing housing as well as social services, skill training, and job support to assist families in transitioning to and remaining in permanent housing.

SUPPLEMENTAL INFORMATION

START Corporation
Schedule of Program Revenues and Expenses
Year Ended June 30, 2022

	Fresh Start	Coordinated Entry	Shelter + Care	NOLA Shelter + Care	Visions II	New Orleans CBRS and PSH	The Network	TANF Homeless Initiative	SSVF	Start FQHC	Houma ACT	Starting Over
REVENUES AND OTHER SUPPORT												
Grants and other funding	\$ 237,894	\$ 602,529	\$ 381,872	\$ -	\$ 214,169	\$ 574,014	\$ 57,715	\$ 337,584	\$2,152,091	\$1,332,575	\$ -	\$ 174,183
Medicaid revenue	64,440	(3,154)	-	-	20,140	800,497	-	-	-	2,691,122	1,119,601	34,577
Insurance revenue	345	-	-	-	805	2,920	-	-	-	946,350	1,225	734
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	1,130	-	-	-	115	2,153	-	-	-	767,384	1,463	1,015
Other income	-	-	-	-	-	-	-	-	-	11,406	-	-
Clinic revenue	-	-	-	-	-	-	-	-	-	202,605	13,310	-
Dental revenue	-	-	-	-	-	-	-	-	-	235,468	-	-
Program service and other fees	-	-	375	-	-	-	-	-	705	139	-	228
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	83,700	-	-
Interest and dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES AND OTHER SUPPORT	303,809	599,375	382,247	-	235,229	1,379,584	57,715	337,584	2,152,796	6,270,749	1,135,599	210,737
FUNCTIONAL EXPENSES												
Salaries	113,269	450,071	48,809	-	122,727	1,105,172	39,544	245,202	593,595	2,942,426	565,941	70,337
Client assistance	79,296	-	320,663	-	48,481	58	11,719	-	1,309,515	5	122	73,654
Professional fees	9,475	-	-	-	5,399	35,897	-	-	30,061	1,237,492	224,988	5,618
Employee benefits	19,157	57,963	6,701	-	13,001	167,086	5,365	33,483	67,141	258,120	61,957	11,731
Supplies and materials	61	46,251	17	-	61	6,749	375	15,193	22,058	185,405	3,612	54
Bad debts	45	4,153	53	28,914	528	3,918	-	27,193	-	560,374	15,645	559
Payroll taxes	8,836	35,308	3,817	-	9,306	86,885	2,852	19,005	46,008	217,120	43,700	5,246
Insurance	5,233	23,096	4,492	-	4,393	35,274	854	2,607	29,716	105,239	23,076	4,290
Communications	2,459	9,703	974	-	1,804	39,541	488	3,980	21,359	45,890	10,281	1,048
Rent	-	12,117	-	-	-	5,345	-	6,132	28,261	71,666	7,842	-
Security	-	-	-	-	-	-	-	-	-	8,304	-	-
Depreciation	-	20,127	1,214	-	-	9,696	-	-	18,881	58,236	9,333	12,048
Maintenance and repairs	608	10,973	493	-	664	3,762	1	910	5,738	107,068	13,368	726
Travel	2,168	11,619	371	-	2,466	30,228	80	3,087	11,815	12,820	13,658	2,904
Licenses, taxes, and fees	34	1,792	32	-	34	823	-	201	2,505	164,125	35	34
Dues and subscriptions	143	1,541	253	-	96	763	44	122	1,334	163,911	658	96
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Training	-	84	252	-	455	161	2	843	334	9,032	782	-
Utilities	-	3,922	-	-	-	36	-	-	1,631	5,643	-	-
Advertising	1	40	-	-	700	6,881	-	-	-	2,468	1,443	-
Miscellaneous	75	223	623	-	98	800	90	64	593	3,520	611	51
Interest	122	2,389	297	-	122	2,040	-	-	3,331	8,380	1,417	122
Postage and delivery	11	19	18	-	8	140	4	10	515	1,151	42	8
Bank charges	-	-	-	-	-	-	-	-	-	2,867	-	-
TOTAL FUNCTIONAL EXPENSES	240,993	691,391	389,079	28,914	210,343	1,541,255	61,418	358,032	2,194,391	6,171,262	998,511	188,526
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 62,816	\$ (92,016)	\$ (6,832)	\$ (28,914)	\$ 24,886	\$ (161,671)	\$ (3,703)	\$ (20,448)	\$ (41,595)	\$ 99,487	\$ 137,088	\$ 22,211

See Independent Auditor's Report.

START Corporation
Schedule of Program Revenues and Expenses (Cont.)
Year Ended June 30, 2022

	Housing Development	Northshore ACT	Northshore Shelter + Care	Baton Rouge CBRS and PSH	Beautiful Beginnings	Baton Rouge Rapid Rehousing	Baton Rouge ACT	One Stop	ESG Homeless Baton Rouge	Safe Start 1	YouthBuild	YouthBuild
REVENUES AND OTHER SUPPORT												
Grants and other funding	\$ -	\$ -	\$ 521,266	\$ 182,846	\$ 21,694	\$ 323,602	\$ -	\$ 156,526	\$ -	\$ 123,467	\$ 62,730	\$ 363,946
Medicaid revenue	-	600,912	-	667,596	-	-	557,905	-	-	6,526	-	-
Insurance revenue	-	230	-	6,294	-	-	250	-	-	230	-	-
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	-	920	-	2,856	-	-	115	-	-	115	-	-
Other income	197,396	-	-	-	-	-	-	-	-	-	-	-
Clinic revenue	-	-	-	-	-	-	-	-	-	-	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Program service and other fees	173,939	-	1,286	-	-	-	-	-	-	-	-	-
Income from related parties	96,844	-	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES AND OTHER SUPPORT	468,179	602,062	522,552	859,592	21,694	323,602	558,270	156,526	-	130,338	62,730	363,946
FUNCTIONAL EXPENSES												
Salaries	85,718	287,069	59,014	673,909	16,468	-	299,699	136,227	-	60,504	57,434	226,548
Client assistance	1,807	-	447,042	629	-	(736)	409	-	-	41,331	1,445	7,324
Professional fees	-	68,147	-	44,000	-	-	105,278	-	-	681	-	-
Employee benefits	13,686	29,104	6,799	86,727	2,457	-	28,923	14,571	-	10,588	8,071	17,537
Supplies and materials	5,504	5,620	47	8,336	36	-	5,344	3,430	(3)	65	2,938	15,148
Bad debts	-	3,223	60	3,807	-	616,190	4,070	-	2,400	345	-	-
Payroll taxes	6,675	21,993	4,633	53,712	1,347	-	24,075	11,132	-	4,486	4,903	17,622
Insurance	49,177	8,317	4,954	47,004	1,833	-	11,275	365	-	4,051	474	10,847
Communications	6,441	5,488	795	27,412	135	-	6,785	2,362	-	1,273	1,706	4,202
Rent	-	-	-	15,000	-	-	7,000	4,079	-	-	9,806	14,566
Security	-	-	-	-	-	-	-	17,421	-	-	-	-
Depreciation	63,859	-	1,214	7,297	-	-	-	-	-	-	13,609	-
Maintenance and repairs	44,572	3	493	2,805	-	-	90	1,178	(95)	664	745	5,045
Travel	2,459	30,496	467	18,834	-	-	7,004	14	-	2,100	-	3,240
Licenses, taxes, and fees	127	400	32	834	-	-	3	519	-	234	1,472	4,123
Dues and subscriptions	239	332	242	531	41	-	609	30	-	566	501	219
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	2,055	89,629
Training	2,125	340	252	213	-	-	180	46	-	62	287	8,543
Utilities	11,503	-	-	1,813	-	-	1,087	362	-	-	871	1,816
Advertising	156	733	-	1,738	-	-	7,460	1,097	-	-	1,434	471
Miscellaneous	113	315	670	980	22	-	604	483	-	35	52	161
Interest	423	-	297	279	-	-	-	-	-	122	106	953
Postage and delivery	32	21	19	51	3	-	38	19	-	5	-	17
Bank charges	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	294,616	461,601	527,030	995,911	22,342	615,454	509,933	193,335	2,302	127,212	107,909	428,011
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 173,563	\$ 140,461	\$ (4,478)	\$ (136,319)	\$ (648)	\$ (291,852)	\$ 48,337	\$ (36,809)	\$ (2,302)	\$ 3,126	\$ (45,179)	\$ (64,065)

See Independent Auditor's Report.

START Corporation
Schedule of Program Revenues and Expenses (Cont.)
Year Ended June 30, 2022

	Starting Point	Thibodaux CBRS and PSH	Thibodaux ACT	Functional Family Therapy	Homebuilders	School Street FQHC	Multisystemic Therapy (MST)	New Start Veterans Shelter	Veterans Shelter	New Orleans ACT (PIH)	New Start Housing	Unity Family Rapids
REVENUES AND OTHER SUPPORT												
Grants and other funding	\$ 174,645	\$ 49,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 379,408	\$ 14,395	\$ 1,105,327	\$ 1,069,451	\$ 351,500
Medicaid revenue	29,134	280,026	188,152	798,485	233,145	150,579	238,240	-	-	1,786,722	123,565	-
Insurance revenue	230	2,616	996	(363)	187	23,391	-	-	-	480	230	-
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	345	1,571	42,420	-	-	1,558	-	-	-	115	230	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Clinic revenue	-	-	-	-	-	-	-	211	-	-	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Program service and other fees	331	-	-	13	-	-	-	8,780	812	-	-	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	130	-	-	-
TOTAL REVENUES AND OTHER SUPPORT	204,685	333,275	231,568	798,135	233,332	175,528	238,240	388,399	15,337	2,892,644	1,193,476	351,500
FUNCTIONAL EXPENSES												
Salaries	63,129	204,112	171,683	582,541	143,655	74,013	132,313	260,959	6,689	1,002,428	280,754	52,763
Client assistance	86,284	-	-	-	35	-	-	3,718	-	732,758	754,881	222,028
Professional fees	5,633	24,311	60,029	36,778	12,002	200	-	14,652	-	377,427	3,097	-
Employee benefits	10,638	29,858	21,393	75,590	22,114	3,874	17,491	20,099	1,223	120,133	41,341	7,530
Supplies and materials	81	5,442	125	671	364	913	440	25,426	426	26,905	678	12,744
Bad debts	166	1,417	18,220	2,116	(5,425)	7,364	3,439	-	-	15,693	2,439	-
Payroll taxes	4,887	16,228	13,294	44,613	11,464	5,635	9,921	19,697	516	77,143	20,960	3,796
Insurance	4,775	21,451	744	17,319	6,447	472	-	22,790	1,429	53,159	11,379	4,205
Communications	1,259	11,314	2,006	8,751	2,552	252	1,384	26,527	2,596	36,886	4,457	946
Rent	-	4,525	-	-	-	-	-	-	-	71,007	-	-
Security	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	4,166	8,279	-	-	-	-	-	26,801	1,194	5,900	-	-
Maintenance and repairs	1,308	2,397	201	341	217	197	2,066	24,202	4,694	2,045	97	2
Travel	1,190	4,634	8,088	18,891	9,908	88	7,299	2,198	-	24,014	3,790	277
Licenses, taxes, and fees	59	123	32	5,775	-	579	1,375	-	-	432	-	-
Dues and subscriptions	115	402	60	530	138	765	-	160	16	1,874	795	710
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Training	15	43	173	36,698	154	-	29,564	69	-	417	28	4
Utilities	-	1,022	-	-	-	-	-	16,471	3,118	88	-	-
Advertising	1	147	606	37	130	84	254	-	-	2,861	-	-
Miscellaneous	61	337	127	758	120	62	47	409	17	1,136	287	111
Interest	500	663	-	-	40	-	-	738	-	225	-	-
Postage and delivery	9	26	9	42	11	3	-	13	1	120	159	72
Bank charges	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	184,276	336,731	296,790	831,451	203,926	94,501	205,593	464,929	21,919	2,552,651	1,125,142	305,188
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 20,409	\$ (3,456)	\$ (65,222)	\$ (33,316)	\$ 29,406	\$ 81,027	\$ 32,647	\$ (76,530)	\$ (6,582)	\$ 339,993	\$ 68,334	\$ 46,312

See Independent Auditor's Report.

START Corporation
Schedule of Program Revenues and Expenses (Cont.)
Year Ended June 30, 2022

	Low Barrier Shelter	Unity Rapid Rehousing	Home At Last - Consolidated	RRH for Unsheltered Homeless	Problem Solving	Homeless Prevention	Youth Outreach and Coordinated Entry	Lafayette CoC PSH Subsidy Shelter + Care	CoC Rapid Rehousing	Monroe Rapid Rehousing	Covington FQHC	New Orleans FQHC
REVENUES AND OTHER SUPPORT												
Grants and other funding	\$1,544,875	\$ 384,325	\$ 164,403	\$ 542,017	\$ 58,737	\$ 274,105	\$ 100,156	\$ 151,178	\$ -	\$ 102,647	\$ 227,748	\$ -
Medicaid revenue	-	-	73,341	-	-	-	-	-	-	-	1,216,153	273,115
insurance revenue	-	-	345	-	-	-	-	-	-	-	251,900	47,874
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	-	-	345	-	-	-	-	-	-	-	80,336	33,846
Other income	-	-	-	-	-	-	-	-	-	-	1,071	-
Clinic revenue	-	-	-	-	-	-	-	-	-	-	21,262	401
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Program service and other fees	-	-	-	800	-	-	-	-	-	1,811	99	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES AND OTHER SUPPORT	1,544,875	384,325	238,434	542,817	58,737	274,105	100,156	151,178	-	104,458	1,798,569	355,236
FUNCTIONAL EXPENSES												
Salaries	600,609	137,282	141,491	183,935	30,704	194,025	79,536	33,747	-	61,633	1,259,251	192,108
Client assistance	4,271	177,354	-	254,430	297	-	8,549	107,814	(977)	24,738	-	-
Professional fees	9,030	3	2,941	(66)	-	-	800	-	-	-	34,139	99,459
Employee benefits	49,851	19,815	23,000	20,799	1,749	29,065	9,010	4,689	-	9,319	109,878	17,002
Supplies and materials	423,478	3,222	1,122	18,635	(11)	5,893	8,083	16	-	6,851	71,243	31,049
Bad debts	399	-	843	-	5,487	(615)	-	593	-	-	99,060	18,618
Payroll taxes	47,910	10,312	10,531	14,723	2,506	15,415	6,495	2,644	-	4,799	96,925	15,012
Insurance	23,476	6,686	7,541	3,061	150	3,306	1,739	1,992	-	1,233	23,358	7,442
Communications	7,115	1,159	2,682	3,330	171	4,011	2,986	446	-	6,591	27,918	18,985
Rent	-	-	-	-	-	15,202	22,200	-	-	6,000	-	65,405
Security	368,863	-	-	-	-	-	-	-	-	-	628	459
Depreciation	26,380	-	1,649	-	-	3,072	-	607	-	-	4,128	57
Maintenance and repairs	5,511	928	1,437	929	-	995	1,412	260	-	-	3,741	5,568
Travel	11,007	782	240	2,653	53	4,119	528	206	-	82	7,246	4,854
Licenses, taxes, and fees	370	16	-	56	-	22	-	16	-	3	29,949	9,410
Dues and subscriptions	717	173	356	498	262	301	309	86	-	15	17,839	6,376
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Training	61	19	-	4	-	-	15	127	-	-	4,996	84
Utilities	-	-	-	-	-	61	3,896	-	-	1,087	-	4,757
Advertising	4,094	140	-	-	-	-	395	-	-	65	1,680	3,527
Miscellaneous	1,019	207	56	251	28	179	303	298	-	8	1,650	835
Interest	330	-	-	-	-	-	-	148	-	-	506	115
Postage and delivery	348	72	8	136	1	4	12	7	-	1	97	37
Bank charges	-	-	-	-	-	-	-	-	-	-	200	253
TOTAL FUNCTIONAL EXPENSES	1,584,839	358,170	193,897	503,374	41,397	275,055	146,268	153,696	(977)	122,425	1,794,432	501,412
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (39,964)	\$ 26,155	\$ 44,537	\$ 39,443	\$ 17,340	\$ (950)	\$ (46,112)	\$ (2,518)	\$ 977	\$ (17,967)	\$ 4,137	\$ (146,176)

See Independent Auditor's Report.

START Corporation
Schedule of Program Revenues and Expenses (Cont.)
Year Ended June 30, 2022

	North Louisiana PSH	BOS PSH 1	BOS PSH 2	Transitional Living Program	Start Up/ HOPWA	PIPBC	Pecan Acre/ Silver Leaf	Baton Rouge PIH	Mandeville Group Home	RWHAP	TLP - CARES Act	Crisis Receiving Center
REVENUES AND OTHER SUPPORT												
Grants and other funding	\$ 160,395	\$ 560,419	\$ 81,065	\$ 56,361	\$ 95,037	\$ 387,384	\$ -	\$ 221,981	\$ 219,359	\$ 64,255	\$ -	\$ 737,091
Medicaid revenue	-	23,050	4,872	-	11,949	-	-	-	-	-	-	-
Insurance revenue	-	-	-	-	115	-	-	-	-	-	-	-
Pharmacy revenue	-	-	-	-	-	-	-	-	-	-	-	-
Medicare revenue	-	-	-	-	115	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Clinic revenue	-	-	-	-	-	-	-	-	234	-	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Program service and other fees	-	-	-	-	-	-	-	-	9,529	-	-	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES AND OTHER SUPPORT	160,395	583,469	85,937	56,361	107,216	387,384	-	221,981	229,122	64,255	-	737,091
FUNCTIONAL EXPENSES												
Salaries	195,680	178,428	32,400	27,739	62,964	243,543	-	77,610	124,674	60,377	-	625,813
Client assistance	-	327,215	52,408	14,600	40,345	-	-	122,418	(22)	-	-	-
Professional fees	-	14,660	-	1,092	-	55,519	-	6,450	-	-	-	91,325
Employee benefits	18,474	26,352	4,142	1,835	5,661	28,621	-	9,368	3,016	6,254	-	45,754
Supplies and materials	2,493	4,817	2,977	9,076	39	19,041	-	4,462	19,261	1,302	-	60,393
Bad debts	5,920	(77)	76	711	205	-	1,980	-	11,456	-	1,516	-
Payroll taxes	15,321	13,724	2,385	2,189	4,669	18,685	-	5,834	10,433	4,710	-	49,280
Insurance	2,559	4,065	572	3,398	3,651	4,845	-	1,059	6,385	-	-	2,467
Communications	2,348	8,564	4,156	1,678	1,150	1,344	-	6,221	3,705	121	-	8,589
Rent	3,000	6,600	4,600	9,324	200	-	-	6,600	-	-	-	47,598
Security	-	-	-	-	-	-	-	-	650	-	-	-
Depreciation	-	-	-	5,132	-	4,145	-	-	-	7,148	-	1,693
Maintenance and repairs	756	61	-	905	41	1,028	-	1	11,436	559	-	571
Travel	3,017	1,624	228	209	1,046	5,962	-	958	983	344	-	6,474
Licenses, taxes, and fees	4,701	3	2	551	-	9,971	-	3	700	-	-	105
Dues and subscriptions	86	248	35	594	290	10,603	-	86	232	-	-	813
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	-
Training	1,565	108	21	-	491	120	-	2	116	46	-	1,303
Utilities	-	1,087	725	-	-	-	-	1,087	4,266	-	-	-
Advertising	2,178	66	43	-	-	1,628	-	65	200	237	-	3,142
Miscellaneous	465	327	71	54	269	146	-	98	884	87	-	396
Interest	-	-	-	160	-	205	-	-	-	456	-	249
Postage and delivery	7	20	3	7	23	15	-	7	9	119	-	32
Bank charges	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	258,570	587,892	104,844	79,254	121,044	405,421	1,980	242,329	198,384	81,760	1,516	945,997
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (98,175)	\$ (4,423)	\$ (18,907)	\$ (22,893)	\$ (13,828)	\$ (18,037)	\$ (1,980)	\$ (20,348)	\$ 30,738	\$ (17,505)	\$ (1,516)	\$ (208,906)

See Independent Auditor's Report.

START Corporation
Schedule of Program Revenues and Expenses (Cont.)
Year Ended June 30, 2022

	Mandeville FQHC	Pharmacy	Hypertension	American Rescue HRSA	START Testing	Womenspace	Louisiana Children's Trust Fund	Ending Homelessness	SSVF Shallow Subsidy	Vaccine Team	Low Barrier Shelter - 3rd Floor	ODMAP Community Fund
REVENUES AND OTHER SUPPORT												
Grants and other funding	\$ -	\$ -	\$ 45,719	\$ 906,786	\$ 49,500	\$ 286,202	\$ 25,000	\$ 18,344	\$ 132,556	\$ 457,311	\$ 205,666	\$ 30,000
Medicaid revenue	540,749	-	-	-	-	-	-	-	-	-	-	-
Insurance revenue	77,093	-	-	-	-	-	-	-	-	-	-	-
Pharmacy revenue	-	527,576	-	-	-	-	-	-	-	-	-	-
Medicare revenue	29,224	-	-	-	-	-	-	-	-	-	-	-
Other income	452	-	-	-	-	-	-	-	-	-	-	-
Clinic revenue	11,183	-	-	-	-	-	-	-	-	-	-	-
Dental revenue	-	-	-	-	-	-	-	-	-	-	-	-
Program service and other fees	-	-	-	-	-	-	-	-	-	-	-	-
Income from related parties	-	-	-	-	-	-	-	-	-	-	-	-
Incentives	-	-	-	-	-	-	-	-	-	-	-	-
Interest and dividend income	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES AND OTHER SUPPORT	658,701	527,576	45,719	906,786	49,500	286,202	25,000	18,344	132,556	457,311	205,666	30,000
FUNCTIONAL EXPENSES												
Salaries	263,854	-	19,370	584,804	36,151	224,202	16,618	16,822	91,890	313,697	124,138	-
Client assistance	-	-	-	-	-	2,308	-	-	35,708	85,271	(278)	-
Professional fees	156,741	-	-	-	-	1,950	-	-	-	-	-	-
Employee benefits	17,156	-	3,050	90,415	5,025	12,517	2,444	2,563	10,731	27,201	5,635	-
Supplies and materials	83,931	185,539	18,271	11,924	503	57,943	-	(2)	2	20,738	75,463	-
Bad debts	19,211	-	-	-	-	-	-	-	-	-	-	-
Payroll taxes	21,270	-	1,504	46,566	3,017	19,239	1,279	1,358	6,501	23,958	10,238	-
Insurance	2,940	12,539	422	6,061	-	1,871	-	-	-	-	-	-
Communications	19,858	136	8	549	600	1,912	-	383	604	1,772	-	-
Rent	47,275	-	-	-	-	-	-	-	-	-	-	-
Security	-	-	-	-	-	-	-	-	-	-	32,472	-
Depreciation	-	5,138	-	-	-	-	-	-	-	-	-	-
Maintenance and repairs	4,048	(1,581)	-	3,207	-	1,062	-	794	41	1,533	1,916	-
Travel	664	-	64	2,104	114	256	-	-	223	4,089	85	-
Licenses, taxes, and fees	5	-	5,029	-	-	172	-	-	-	15	-	-
Dues and subscriptions	1,870	557	34	490	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-	-	-	-	30,000
Training	142	-	-	-	15	14	-	1	3	560	75	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Advertising	3,677	-	-	-	-	100	-	-	-	1,352	1,286	-
Miscellaneous	405	293	18	270	231	846	-	-	-	103	338	-
Interest	-	-	-	187	-	-	-	-	-	110	-	-
Postage and delivery	137	44	3	39	-	81	-	-	-	13	-	-
Bank charges	317	-	-	-	-	-	-	-	-	-	-	-
TOTAL FUNCTIONAL EXPENSES	643,501	202,665	47,773	746,616	45,656	324,473	20,341	21,919	145,703	480,412	251,368	30,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 15,200	\$ 324,911	\$ (2,054)	\$ 160,170	\$ 3,844	\$ (38,271)	\$ 4,659	\$ (3,575)	\$ (13,147)	\$ (23,101)	\$ (45,702)	\$ -

See Independent Auditor's Report.

START Corporation
Schedule of Program Revenues and Expenses (Cont.)
Year Ended June 30, 2022

	Terrebonne Housing Action Team	START Mobile Action Response	CHW Vaccination Program	Baton Rouge FQHC	Supplemental Low Barrier	Regional Hubs	Northshore	Pharmacy	Total Program Services	Management and General	Total
REVENUES AND OTHER SUPPORT											
Grants and other funding	\$ 211,642	\$ 39,416	\$ 15,500	\$ -	\$ 44,990	\$ -	\$ -	\$ -	\$ 19,566,661	\$ -	\$ 19,566,661
Medicaid revenue	-	-	-	-	-	-	-	-	12,531,439	-	12,531,439
Insurance revenue	-	-	-	-	-	-	-	-	1,364,477	-	1,364,477
Pharmacy revenue	-	-	-	-	-	-	-	481,794	1,009,370	-	1,009,370
Medicare revenue	-	-	-	-	-	-	-	-	967,371	-	967,371
Other income	-	-	-	-	-	-	-	-	210,325	66,074	276,399
Clinic revenue	-	-	-	-	-	-	-	-	249,206	-	249,206
Dental revenue	-	-	-	-	-	-	-	-	235,468	-	235,468
Program service and other fees	-	-	-	-	-	-	-	-	198,847	-	198,847
Income from related parties	-	-	-	-	-	-	-	-	96,844	-	96,844
Incentives	-	-	-	-	-	-	-	-	83,700	-	83,700
Interest and dividend income	-	-	-	-	-	-	-	-	-	688	688
Contributions	-	-	-	-	-	-	-	-	130	41	171
TOTAL REVENUES AND OTHER SUPPORT	211,642	39,416	15,500	-	44,990	-	-	481,794	36,513,838	66,803	36,580,641
FUNCTIONAL EXPENSES											
Salaries	219,110	41,895	5,696	-	6,649	12,321	6,294	139,140	17,840,722	258,937	18,099,659
Client assistance	85	-	3,852	-	-	-	-	-	5,402,854	-	5,402,854
Professional fees	-	-	-	-	-	-	-	80,887	2,855,895	30,791	2,886,686
Employee benefits	20,951	2,676	827	-	342	456	182	-	1,937,377	18,827	1,956,204
Supplies and materials	2,830	227	-	-	25,794	-	-	6,241	1,583,362	35,431	1,618,793
Bad debts	-	-	-	-	-	-	-	66	1,482,355	20	1,482,375
Payroll taxes	16,382	1,893	389	-	499	142	145	-	1,365,697	15,687	1,381,384
Insurance	66	-	-	-	-	-	-	174	653,795	12,308	666,103
Communications	1,603	246	-	-	60	-	-	1,927	435,984	155,116	591,100
Rent	6,475	-	-	-	-	-	-	-	497,825	146	497,971
Security	-	-	-	-	16,412	-	-	2,572	447,781	186	447,967
Depreciation	-	-	-	-	-	-	-	3,633	324,636	21,461	346,097
Maintenance and repairs	556	-	-	2,217	-	(701)	-	-	286,809	37,658	324,467
Travel	951	-	-	-	-	-	-	-	297,372	4,714	302,086
Licenses, taxes, and fees	27	-	-	631	-	-	-	1,974	249,465	37,024	286,489
Dues and subscriptions	-	-	-	-	-	-	-	278	220,984	896	221,880
Cost of sales	-	-	-	-	-	-	-	197,813	197,813	-	197,813
Stipends	-	-	-	-	-	-	-	-	121,684	-	121,684
Training	416	-	-	-	15	-	-	-	101,477	1,192	102,669
Utilities	555	-	-	-	-	-	-	521	67,425	1,785	69,210
Advertising	-	192	-	-	-	-	-	1,916	54,725	2,196	56,921
Miscellaneous	397	21	-	26	80	-	-	11,552	35,866	952	36,818
Interest	170	-	-	-	-	-	-	-	25,202	10,250	35,452
Postage and delivery	-	-	-	-	-	-	-	14,134	18,012	2,236	20,248
Bank charges	-	-	-	-	-	-	-	317	3,954	7,861	11,815
TOTAL FUNCTIONAL EXPENSES	270,574	46,950	10,764	2,874	49,851	12,218	6,621	462,945	36,509,071	655,674	37,164,745
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (58,932)	\$ (7,534)	\$ 4,736	\$ (2,874)	\$ (4,861)	\$ (12,218)	\$ (6,621)	\$ 18,849	\$ 4,767	\$ (588,871)	\$ (584,104)

See Independent Auditor's Report.

START Corporation
Schedule of Compensation, Benefits, and Other
Payments to the Executive Director
Year Ended June 30, 2022

Agency Head Name: Casey Guidry, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 411,170
Benefits - retirement	12,335
Benefits - insurance	6,664
Unvouchered expenses	5,518
Special meals	3,782
Vehicle allowance	1,074
Travel	481

This form satisfies the reporting requirements of R.S. 24:513(A)(3).

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS
AND UNIFORM GUIDANCE**

**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified public Accountants
(A Professional Corporation)*

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

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

To the Board of Directors
START Corporation
Houma, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of START Corporation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, 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 January 6, 2023.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

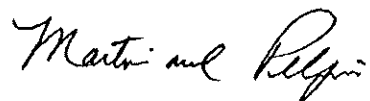
As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001.

START Corporation's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on START Corporation's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. START Corporation's response was not subjected to the 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Houma, Louisiana
January 6, 2023

START Corporation
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

1. The auditor’s report expresses an unmodified opinion on the financial statements of START Corporation.
2. No deficiencies in internal control were noted during the audit of the financial statements.
3. One instance of noncompliance or other matters (see finding 2022-001) required to be reported in accordance with *Government Auditing Standards* was disclosed during the audit.
4. No deficiencies in internal control were noted during the audit of internal control over the major federal award programs.
5. The auditor’s report on compliance for the major federal award programs for START Corporation expresses an unmodified opinion on the major federal programs.
6. No audit findings relative to the major federal award programs were noted.
7. The programs tested as major programs were:
 - a. U.S. Department of Housing and Urban Development Continuum of Care Program, Assistance Listing Number 14.267, and
 - b. U.S. Department of Health and Human Services Grants for New and Expanded Services under the Health Center Program, Assistance Listing Number 93.527.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. START Corporation did not qualify as a low-risk auditee.
10. A management letter was not issued.

Section II – Financial Statement Findings

2022-001

Statement of Condition: Noncompliance with Louisiana Audit Law requirement.

Criteria: Louisiana Revised Statute 24:513 requires the submission of an audit report to the Louisiana Legislative Auditor within six months of year end for all entities receiving in excess of \$500,000 of public funds during the audit period. The Organization submitted its report six days after the due date.

START Corporation
Schedule of Findings and Questioned Costs (Cont.)
Year Ended June 30, 2022

Section II – Financial Statement Findings (Cont.)

Effects of Condition: The late filing of required audit reports could delay the availability of such financial information to interested parties and/or those monitoring compliance.

Cause of Condition: The audit is subject to the federal Uniform Guidance. As the number of federal programs increased substantially during the year, more time than estimated was required to properly perform such procedures.

Recommendation: Prior to the closure of the period subject to audit, an evaluation of the amount of federal expenditures by program should be prepared and made available for audit planning purposes, assisting in the timely filing of the required audit report.

Response: The management of START Corporation agrees with this finding and considers it an isolated incidence as the Organization has a history of timely filing.

Questioned Costs: \$ -0-

Section III – Internal Control Findings

No findings related to the START Corporation's internal control, which would be required to be reported in accordance with *Government Auditing Standards*, were noted during the audit.

Section IV – Findings and Questioned Costs – Major Federal Award Program Audit

No significant control deficiencies, findings, or questioned costs were noted during the audit of the major federal award programs.

START Corporation
Schedule of Prior Findings and Resolution Matters
Year Ended June 30, 2022

Note: All prior findings relate to the June 30, 2021 audit engagement.

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

This section is not applicable.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

Management's Corrective Action Plan for Current
Year Findings
Year Ended June 30, 2022

The contact person for all corrective actions noted below is Casey Guidry, Executive Director.

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

Noncompliance With Louisiana Audit Law

Condition: Louisiana Revised Statute 24:513 requires the submission of an audit report to the Louisiana Legislative Auditor within six months of year end for all entities receiving in excess of \$500,000 of public funds during the audit period. The Organization submitted its report six days after the due date.

Recommendation: Prior to the closure of the period subject to audit, an evaluation of the amount of federal expenditures by program should be prepared and made available for audit planning purposes, assisting in the timely filing of the required audit report.

Planned Action: Management will prepare such recommended schedule of federal funding and timely file annual reports as has been done historically.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors
START Corporation
Houma, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited START Corporation's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2022. START Corporation's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, START Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of START Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to START Corporation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on START Corporation's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 START Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of START Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

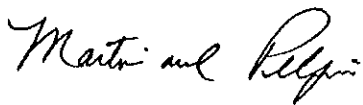
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Houma, Louisiana
January 6, 2023

START Corporation
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number and/or Contract Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<u>Direct Payments:</u>			
Continuum of Care (BOS PSH 1)	14.267	LA0307L6H091902; LA0307L6H092003	\$ 560,419
Continuum of Care (Fresh Start)	14.267	LA0143L6H091912; LA0143L6H092013	237,697
Continuum of Care (Partners in Health)	14.267	LA0332L6H091901; LA0332L6H092002	221,981
Continuum of Care (Visions II GCTFS)	14.267	LA0150L6H092013; LA0150L6H092114	211,102
Continuum of Care (Starting Point)	14.267	LA0148L6H091912; LA0148L6H092013	170,581
Continuum of Care (Starting Over)	14.267	LA0147L6H092013	165,933
Continuum of Care (Safe Start)	14.267	LA0146L6H091912; LA0146L6H092013	117,332
Continuum of Care (Monroe Rapid Rehousing)	14.267	LA0344L6H052001	102,647
Continuum of Care (BOS PSH 2)	14.267	LA0309L6H091902; LA0309L6H092003	81,065
Continuum of Care (The Network)	14.267	LA0145L6H091912; LA0145L6H092013	57,715
			<u>1,926,472</u>
<u>Pass through payments from UNITY of Greater New Orleans, Inc. (UNITY)</u>			
Continuum of Care (Partners in Health)	14.267	LA0250L6H031904; LA0250L6H032005	1,105,327
Continuum of Care (New Start Housing)	14.267	LA0274L6H031903; LA0274L6H032004	1,069,451
Continuum of Care (Rapid Rehousing for Unsheltered Homeless)	14.267	LA0318D6H031901; LA0318D6H032002	542,017
Continuum of Care (Rapid Rehousing)	14.267	LA0060L6H032013	384,325
Continuum of Care (Family Rapid Rehousing)	14.267	LA0050L6H031908; LA0050L6H032009	361,500
Continuum of Care (Womanspace)	14.267	LA0083L6H032013; LA0083L6H032114	286,202
Continuum of Care (Home at Last - Consolidated)	14.267	LA0162L6H031907; LA0162L6H032008	134,077
Continuum of Care (Youth Outreach and Coordinated Entry)	14.267	LA0273L6H032004	100,156
Continuum of Care (Problem Solving)	14.267	LA0360D6H031900; LA0360D6H032001	58,737
Emergency Solutions Grant Program	14.231	STATE ESG-CV	274,105
			<u>4,305,897</u>
<u>Pass through payments from Louisiana Housing Corporation</u>			
Continuum of Care (Coordinated Entry)	14.267	Contract Agreement	602,529
Continuum of Care (Northshore)	14.267	Contract Agreement	521,266
Continuum of Care (Shelter + Care)	14.267	Contract Agreement	381,872
Continuum of Care (Lafayette)	14.267	Contract Agreement	151,178
Emergency Solutions Grant Program	14.231	Contract Agreements	690,237
			<u>2,347,082</u>
<u>Pass through payments from City of New Orleans</u>			
Emergency Solutions Grant Program	14.231	LBS-01A; ESG-CV08	1,589,865
Community Development Block Grants/Entitlement Grants	14.218	CD-CV07	205,666
			<u>1,795,531</u>
<u>Pass through payments from Louisiana Department of Health</u>			
<u>Office of Aging and Adult Services</u>			
Community Development Block Grants/Entitlement Grants	14.218	20000490467	1,018,356
<u>Pass through payments from Terrebonne Parish Consolidated Government</u>			
Emergency Solutions Grant Program	14.231	Contract Agreements	233,336
<u>Pass through payments from Capital Area Alliance for the Homeless</u>			
Community Development Block Grants/Entitlement Grants	14.218	Contract Agreement	156,526
<u>Pass through payments from City of Baton Rouge - Parish of East Baton Rouge</u>			
Housing Opportunities for Persons with AIDS	14.241	LAH20F-002	95,037
Total U.S. Department of Housing and Urban Development			<u>11,878,237</u>

START Corporation
Schedule of Expenditures of Federal Awards (Cont.)
Year Ended June 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number and/or Contract Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Direct Payments:</u>			
Grants for New and Expanded Services Under the Health Center Program	93.527	1 H8FCS41573-01-00; 3 H80CS28964; 6 H80CS28964-07-02	2,254,185
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	P06HA45162-01-00	<u>64,255</u>
			2,318,440
<u>Pass through payments from State of Louisiana/Department of Health Office of Behavioral Health</u>			
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	20000434486; 20000377737	490,483
<u>Pass through payments from State of Louisiana/Department of Children and Family Services</u>			
Temporary Assistance for Needy Families	93.558	20000478184	337,584
<u>Pass through payments from Administration for Children and Families/ Family and Youth Services Bureau</u>			
Transitional Living for Homeless Youth	93.550	90CX7262-03-00	56,361
<u>Pass through payments from Duke University</u>			
Trans-NIH Research Support	93.310	U24MD016258	49,500
<u>Pass through payments from State of Louisiana/Department of Health Office of Public Health/STD/HIV Program</u>			
HIV Prevention Activities - Health Department Based	93.940	20000418624	<u>28,945</u>
Total U.S. Department of Health and Human Services			<u>3,281,313</u>
<u>U.S. Department of Veterans Affairs</u>			
<u>Direct Payments:</u>			
VA Homeless Providers Grant and Per Diem Program (New Start for Veterans)	64.024	STAR098-0922-629-SI-19; STAR098-1461-629-PD-21	379,408
VA Supportive Services for Veterans Families Program	64.033	20-LA-208; 20-LA-208SS	<u>2,284,647</u>
Total U.S. Department of Veterans Affairs			<u>2,664,055</u>
<u>U.S. Department of Labor</u>			
<u>Direct Payments:</u>			
YouthBuild	17.274	YB-32987-18-60-A-22	62,730
YouthBuild	17.274	YB-36439-21-60-A-22	<u>363,946</u>
Total U.S. Department of Labor			<u>426,676</u>
<u>U.S. Department of Agriculture</u>			
<u>Pass through payments from State of Louisiana/Department of Health Office of Public Health/Bureau of Nutrition Services</u>			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	20000366981	<u>227,748</u>
Total Expenditures of Federal Awards			<u>\$ 18,478,029</u>

See Notes to the Schedule of Expenditures of Federal Awards.

START Corporation
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of START Corporation under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule presents only a selected portion of the operations of START Corporation and is not intended to and does not present the financial position, changes in net assets, or cash flows of START Corporation.

Note 2 – Summary of Significant Accounting Policies

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

Note 3 – Indirect Cost Rate

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

Note 4 – Assistance Listing Numbers (ALN)

The Assistance Listing Numbers included in this report were determined based on the program name, review of grant contract information, and resources on the sam.gov website.

Note 5 – Passed through to Subrecipients

There were no awards passed through to subrecipients.

STATEWIDE AGREED-UPON PROCEDURES

**Martin
and
Pellegrin**

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Houma, Louisiana 70360

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(A Professional Corporation)*

Ph. (985) 851-3638
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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors and
the Louisiana Legislative Auditor
START Corporation
Houma, Louisiana

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, 2021 through June 30, 2022. The Organization's management is responsible for those C/C areas identified in the SAUPs.

The Organization 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, 2021 through June 30, 2022. 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 described on pages 47-63.

We were engaged by the Organization 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 the Organization 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.

Martin and Kelly

Houma, Louisiana
January 6, 2023

START Corporation
Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

The required procedures and our findings are as follows:

Procedures performed on the Organization's written policies and procedures:

Written Policies and Procedures

1. Obtain and inspect the Organization's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:

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

Performance: Obtained and read the written policy for budgeting and found it to contain all requirements above except for the requirement noted below.

Exceptions: The policy does not specify who monitors the budget.

Management's response: Management will consider adding such a provision.

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

Performance: Obtained and read the written policy for purchasing and found it to contain all requirements above except for the requirement noted below.

Exceptions: Public Bid Law is not mentioned in the policy.

Management's response: Management will consider adding such a provision.

c) Disbursements, including processing, reviewing, and approving

Performance: Obtained and read the written policy for disbursements and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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 additions

Performance: Obtained and read the written policy for receipts and found it to contain the requirements included above.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended June 30, 2022

- 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.

Performance: Obtained and read the written policy for payroll and personnel and found it to contain all requirements above except for the requirement noted below.

Exceptions: The approval process for employee(s) rate of pay and the maintenance of pay rate schedules are not mentioned in the Organization's policy.

Management's response: Management will consider adopting policies on pay rate schedules and the approval process for those schedules.

- 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

Performance: Obtained and read the written policy related to contracting and found it to contain the requirements above except for the requirement noted below.

Exceptions: The policy does not mention legal review or the monitoring process.

Management's response: Management will consider adding such provisions.

- 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

Performance: Obtained and read the written policy related to credit cards and found it to contain the requirements above except for the requirements noted below.

Exceptions: While the approval of each credit card transaction is addressed in the policy and each signed check for credit card payment indicates approval, the policy does not specifically mention approvers of statements.

Management's response: Manager will consider addressing required approvers of statements.

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

Performance: Obtained and read the travel and expense reimbursement policy and found it to contain the requirements above except for the requirements noted below.

Exceptions: The policy does not address expenses allowed and dollar thresholds.

Management's response: Management will consider adding such provisions.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended June 30, 2022

- i) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute 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.

Performance: Obtained and read the ethics policy and found it to contain the requirements above except for the requirements noted below.

Exceptions: The policy does not address notifying employees of changes to the policy.

Management's response: Management will consider adding this provision.

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

Not applicable for not-for-profit entities.

- 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.

Performance: Obtained and read the information technology disaster recovery/business continuity policy and found it to contain the requirements above except for the requirements noted below.

Exceptions: The policy does not mention periodic testing/verification that backups can be restored, antivirus software on all systems, timely application of available system and software patches/updates, identification of personnel processes, nor the tools needed to recover operations after a critical event.

Management's response: Management will consider adding such provisions.

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

Performance: Obtained and read the sexual harassment policy and found it to contain the requirements above except for the requirement noted below.

Exceptions: The policy does not mention the preparation of an annual report.

Management's response: This provision does not apply 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:

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
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Year Ended June 30, 2022

- 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.

Performance: Determined that the board (with a quorum) and finance committee met on a frequency in accordance with the board's by-laws.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that 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.

Performance: Determined whether the minutes referenced or included financial activity relating to public funds and determined that financial statements are provided at board meetings and finance committee meetings.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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 four additional accounts (or all accounts if less than five). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Bank reconciliations include evidence that they were prepared within two months of the related statement closing date;

Performance: Determined that randomly selected bank statements were reconciled within two months of the related statement closing date.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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;

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the

Statewide Agreed-Upon Procedures

Year Ended June 30, 2022

Performance: Inspected documentation for management approvals of each randomly selected bank reconciliation.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether outstanding items that were more than 12 months as of the statement closing date had been researched.

Exceptions: There was no documentation that management had researched items outstanding more than 12 months from the statement closing date.

Management's response: Management will research outstanding items over 12 months old and document the results.

Collections

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 five deposit sites (or all deposit sites if less than five).

Performance: Observed the listing of deposit sites from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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, obtain and inspect written policies and procedures relating to employee job duties at each collection location, and observe that job duties are properly segregated at each collection location, and observe that job duties are properly segregated at each collection location such that:

Performance: Observed the listing of collection locations from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inquired of client to determine that cash drawers/registers are not shared by employees.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

START Corporation
Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

- 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 to the deposit.

Performance: Inquired of client to ensure separation of duties for those employees collecting cash and those employees preparing/making bank deposits.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- 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.

Performance: Inquired of client to ensure separation of duties for those employees collecting cash and those employees posting collection entries to the general ledger or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inquired of client to ensure separation of duties for those employees collecting cash and those employees reconciling cash collections to the general ledger and/or subsidiary ledgers.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether employees who have access to cash are covered by a bond or insurance policy for theft.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

7. Randomly select two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. Obtain supporting documentation for each of the deposits and:

- a) Observe that receipts are sequentially pre-numbered.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

Performance: Inspected receipts to determine if they are sequentially pre-numbered.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Inspected deposits from two random deposit dates to determine if they had system reports and collection documentation that agreed to the respective deposit slips. Noted that collections were supported by adequate documentation.

Exceptions: One deposit was missing receipts. There was no documentation for cash or three checks from that deposit.

Management's response: Management will support collections with adequate documentation in the future.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposit slips agreed to the actual deposits per the bank statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- d) Observe that the deposit was made within one business day of receipt at the collection location.

Performance: Determined if deposits from two random dates were deposited within one business day of receipt.

Exceptions: Documentation was not available for one deposit.

Management's response: Management will support collections with adequate documentation in the future and will make timely deposits.

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

Performance: Inspected deposits from two random deposit dates to determine if the deposits per the bank statements agree to the general ledger.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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 five locations (or all locations if less than five).

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

Performance: Obtained a listing of locations that processed payments for the fiscal period from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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, 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.

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for initiating, approving, and making purchases.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payment functions along with written policies and procedures for those functions to determine if there was a proper segregation of duties for processing and approving payments to vendors.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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.

Performance: Inspected policy manual and inquired of management as to separation of duties related to vendor files.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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.

Performance: Inquired of management to determine if the employee responsible for processing payments mails those respective payments.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
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Year Ended June 30, 2022

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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 five disbursements for each location, obtain supporting documentation for each transaction and:

Performance: Obtained the completed general ledger for the fiscal period and obtained management's representations in a separate letter. Randomly selected five disbursements using a random number generator for check numbers to test the requirements below.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the five random disbursements matched their respective original invoices and that the invoices indicate that deliverables were received by the entity.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined whether the documentation for the five random disbursements gave evidence of the segregation of duties tested under #9 above.

Exceptions: Although there is segregation of duties based on two signatures on each check and based on the person who pays the checks, it is not apparent because payments are processed without written purchase orders and receiving reports.

Management's response: Management will consider using a formal, written purchase order/requisition system.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

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

11. 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.

Performance: Observed the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

12. Using the listing prepared by management, randomly select five cards 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 that there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Performance: Observed written approvals of credit card transactions on monthly statements.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Procedures: Traced selected credit card statements to determine if any finance charges or late fees were applied to balances.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

13. Using the monthly statements or combined statements selected under #12 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. For each transaction, observe that 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.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

Performance: Observed whether randomly selected credit card transactions were supported by the requirements listed above.

Exceptions: Three receipts were missing. Eleven receipts did not include the purpose of the purchase. Twenty-two purchases did not include purchase orders or prior authorizations.

Management's response: Management will consider implementing the requirements going forward.

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

14. 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 five reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the five reimbursements selected:

Performance: Obtained a list of all travel and related expense reimbursements. Management's representation of the listing was confirmed in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) If reimbursed using a per diem, observe that 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).

Performance: Determined that travel expenses were not reimbursed using a per diem.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Traced expenses to original itemized receipts, expense reports, and mileage reports.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) Observe that 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).

Performance: Reviewed documentation of the business/public purpose for each expense.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

START Corporation

Houma, Louisiana

Schedule of Procedures and Associated Findings of the
Statewide Agreed-Upon Procedures
Year Ended June 30, 2022

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

Performance: Inspected each expense reimbursement request to find approval by supervisors and/or board member.

Exceptions: One of the five mileage reimbursement forms did not have supervisor approval.

Management's response: Future reimbursements will be approved in writing by someone other than the person receiving the reimbursement.

Contracts

15. 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. Obtain management's representation that the listing is complete. Randomly select five contracts (or all contracts if less than five) from the listing, excluding the practitioner's contract, and:

Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation of completeness in a separate letter.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law, if required by law.

Performance: Determined that the Organization did not have to comply with the Public Bid Law for any of the selected contracts in place.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law.

Performance: Determined that the Organization is not bound by policy or law to have board approval of contracts. The Director is allowed to approve contracts.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

- c) If the contract was amended, observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.

Performance: Determined that none of the randomly selected contracts were amended.

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Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Inspected each randomly selected invoice and compared to the written contract information to determine that the invoice and related payment complied with the terms of the contract.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

Payroll and Personnel

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

Performance: Observed the listing of employees and received management's representation of completeness in a separate letter.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

17. Randomly select one pay period during the fiscal period. For the five employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees or officials documented their daily attendance and leave.

Performance: Determined that all selected employees documented their daily attendance and leave for the selected pay period.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Determined that the attendance and leave of each employee for the selected pay period was approved by each employee's respective supervisor.
Exceptions: There were no exceptions noted.
Management's response: Not applicable.

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

Performance: Determined that any leave taken during the pay period is reflected in the entity's cumulative leave records.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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

Performance: Determined that the rates paid to the employees/officials agree to the authorized rates found in each personnel's file.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

18. 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 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.

Performance: Obtained management's representation of employees who received termination payments in a separate letter. Randomly tested two of the former employees and their respective payments by calculating hours and pay rates, comparing to cumulative leave records, reviewing personnel files, and reviewing the entity's policy.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

19. Obtain management's representation that employer and employee portions of third-party payroll-related amounts have been paid, and any associated forms have been filed, by required deadlines.

Performance: Obtained management's representation in a separate letter that employer and employee portions of third-party payroll-related amounts have been paid, and any associated forms have been filed, by required deadlines.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

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Ethics

20. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel", obtain ethics documentation from management, and:

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

Performance: Observed the ethics course completion certificates for the employees/officials tested.

Exceptions: While the five certificates were available, the amount of time each training took was not evident on the certificates.

Management's response: Management will have the employees print certificates that indicate the actual time spent on each training.

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

Performance: Determined whether the Organization notified its employees of changes to the ethics policy.

Exceptions: Employees were not notified of October 19, 2021 changes made to the ethics policy.

Management's response: Employees will be notified of all future changes to the ethics policy.

Debt Service

21. 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 that State Bond Commission approval was obtained for each bond/note issued.

Not applicable for not-for-profit entities.

22. 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.

Not applicable for not-for-profit entities.

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Fraud Notice

23. 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.

Performance: Inquired of management of any misappropriations of public funds or assets and determined that none were noted.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

24. Observe that 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.

Performance: Observed such notice posted on the premises and website.

Exceptions: There were no exceptions noted.

Management's response: Not applicable.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures and verbally discuss 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 occurred within the past week. If backups are stored on a physical medium, observe evidence that backups are encrypted before being transported.

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 three months.

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 five computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting software in use are currently supported by the vendor.

Performance: We performed the procedures and discussed the results with management.

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Sexual Harassment

26. Using the five randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Not applicable for not-for-profit entities.

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website.

Not applicable for not-for-profit entities.

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 that 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.

Not applicable for not-for-profit entities.