NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2025

ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management of
New Orleans Women & Children's Shelter, Inc.
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of New Orleans Women & Children's Shelter, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of New Orleans Women & Children's Shelter, Inc. as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the Louisiana Governmental Audit Guide, 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 New Orleans Women & Children's Shelter, Inc. and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Directors and Management of
New Orleans Women & Children's Shelter, Inc.
June 30, 2026

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 generally accepted auditing standards, the Louisiana Governmental Audit Guide, and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 New Orleans Women & Children's Shelter, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Orleans Women & Children's Shelter, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Directors and Management of
New Orleans Women & Children's Shelter, Inc.
June 30, 2026

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information contained in the schedule of compensation, benefits, and other payments to agency head, as required by Louisiana Revised Statute 24:513 A.(3), is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated 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 June 30, 2026, on our consideration of New Orleans Women & Children's Shelter, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 New Orleans Women & Children's Shelter, Inc.'s 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 New Orleans Women & Children's Shelter, Inc.'s internal control over financial reporting and compliance.

New Orleans, Louisiana
June 30, 2026

Ericksen Krentel, LLP
Certified Public Accountants

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	$ 850,758
Unconditional promises to give, net	69,000
Grants receivable	667,998
Prepaid expenses	55,146
Total current assets	1,642,902
PROPERTY AND EQUIPMENT, NET	3,031,400
OTHER ASSETS:	
Investments	2,000,000
Total other assets	2,000,000
Total assets	$ 6,674,302

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2025

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	
Accounts payable	$ 28,855
Accrued expenses	5,491
Total current liabilities	34,346
LONG-TERM LIABILITIES:	
Notes payable	740,000
New market tax credit loan	1,500,000
Total long-term liabilities	2,240,000
Total liabilities	2,274,346
NET ASSETS:	
Without donor restrictions	1,661,755
With donor restrictions	2,738,201
Total net assets	4,399,956
Total liabilities and net assets	$ 6,674,302

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT:			
Grants - federal pass-through	$ 236,000	$ 644,097	$ 880,097
Grants - corporate and other	45,668	463,000	508,668
Contributions	1,913,974	1,605,000	3,518,974
In-kind contributions	121,773	-	121,773
Special events	107,269	-	107,269
Other income	1,009	-	1,009
(Loss) on lease termination	(57,600)	-	(57,600)
Net assets released from restrictions	411,146	(411,146)	-
Total revenues and other support	2,779,239	2,300,951	5,080,190
EXPENSES:			
Program services:			
Wraparound program	1,600,368	-	1,600,368
Supporting services:			
Management and general	383,116	-	383,116
Fundraising	64,113	-	64,113
Total expenses	2,047,597	-	2,047,597
Change in net assets	731,642	2,300,951	3,032,593
Net assets at beginning of year, as restated	930,113	437,250	1,367,363
Net assets at end of year	$ 1,661,755	$ 2,738,201	$ 4,399,956

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services	Supporting Services		
	Wraparound Program Services	General and Administrative	Fundraising	Total
Salaries and wages	$ 430,263	$ 167,906	$ 33,402	$ 631,571
Payroll taxes	35,383	13,808	2,746	51,937
Benefits	31,208	12,179	2,422	45,809
Total salaries and related expenses	496,854	193,893	38,570	729,317
Program consumables	246,378	-	-	246,378
Direct financial assistance	384,002	-	-	384,002
Repairs and maintenance	56,108	9,647	-	65,755
Rent and utilities	40,870	11,819	-	52,689
Professional fees	45,254	116,380	-	161,634
Insurance	99,479	-	-	99,479
Supplies and printing	42,436	-	-	42,436
Special events	-	-	25,543	25,543
Other expenses	1,680	30,565	-	32,245
Depreciation	69,259	7,695	-	76,954
Interest	118,048	13,117	-	131,165
Total functional expenses	$ 1,600,368	$ 383,116	$ 64,113	$ 2,047,597

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:	
Change in net assets	$ 3,032,593
Adjustments to reconcile change in net assets to net cash from (used for) operating activities:	
Depreciation	76,954
Provisions for credit losses	6,733
(Increase) decrease in:	
Unconditional promises to give	(14,000)
Grants receivable	(474,929)
Prepaid expenses	468
Deposits	6,000
Increase (decrease) in:	
Accounts payable	18,512
Accrued expenses	14
Net cash from (used for) operating activities	2,652,345
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:	
Purchases of property and equipment	(77,319)
Purchases of investments	(2,000,000)
Net cash from (used for) investing activities	(2,077,319)
Net increase (decrease) in cash and cash equivalents	575,026
Cash and cash equivalents - beginning of year	275,732
Cash and cash equivalents - end of year	$ 850,758

See accompanying NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The New Orleans Women & Children's Shelter, Inc. (the Organization), which opened in August 2007 in the aftermath of Hurricane Katrina (then known as the New Orleans Women's Shelter), focuses on breaking the cycle of homelessness and keeping homeless families from returning to the streets. The Organization's Wraparound Program provides a continuum of safe shelter, personalized case management, and wraparound services to homeless families at no cost and addresses the unique needs of each family to equip them with the skills and resources they need to live stable, independent, and fulfilling lives.

Principles of Consolidation

These financial statements have been consolidated to include all accounts of New Orleans Women & Children's Shelter, Inc. and its wholly-owned subsidiary, NOWS Iberville, L.L.C. All significant intercompany accounts and transactions have been eliminated. Investments in entities in which the Organization cannot exercise significant influence, but does own a majority equity interest, are accounted for using the equity method and are included as equity method investment on the consolidated statements of financial position.

On August 2, 2013, NOWS Iberville, L.L.C. (NOWSI), a wholly-owned subsidiary of the Organization, contributed $100 to acquire 51% interest of Iberville Offsite Rehab 2 Managing Member, L.L.C. (the Investee). The equity method was suspended during the year ended December 31, 2015, as NOWSI's share of net losses exceeded its capital contribution. At December 31, 2025, the capital account of NOWSI had an accumulated deficit and the carrying amount of the investment was zero. NOWSI does not have effective control of the Investee and is not committed to provide further financial support for the Investee per the operating agreement.

Basis of Accounting and Financial Reporting Framework

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities in accordance with accounting principles generally accepted in the United States of America promulgated by the Financial Accounting Standards Board (FASB).

The consolidated financial statement presentation follows the recommendations of the FASB in its Accounting Standards Codification (ASC) 958-210-50-3, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-210-50-3, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Financial Reporting Framework (continued)

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors. The revenues received in conducting the mission of the Organization are included in this category.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all investments with original maturities of three months or less to be cash equivalents.

Investments

Investments are recorded at fair market value based on market quotations and consist of certificates of deposit accounts. Gains and losses on investments are reported on the statement of activities as increases or decreases in net assets without donor restrictions. Dividend, interest and other investment income are reported in the period earned in the statement of activities as increases in net assets without donor restrictions. Investment return is presented net of investment fees.

The Organization discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. Investments are recorded at fair value on a recurring basis. Nonrecurring fair value adjustments, if any, would typically involve donated property and equipment. There were no material nonrecurring fair value adjustments in 2025. The three levels of the fair value hierarchy are described below:

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

Level 1 lies at the top of the hierarchy. Inputs are quoted prices in active markets.

Level 2 inputs are in the middle of the hierarchy, where data is adjusted from similar items traded in markets that are active markets or from identical or similar items in markets that are not active. Level 2 inputs do not stem directly from quoted prices.

Level 3 inputs are unobservable and require the entity to develop its own assumptions.

For assets that are measured at fair value on a recurring basis in periods after initial recognition, there were no transfers between Levels 1 and 2, or transfers into and out of Level 3 in 2025. If such transfers were to occur, they would be recognized as of the actual date of the event.

All investments held by the Organization are categorized as Level 2 investments within the fair value hierarchy.

The Organization's measurements of fair value are made on a recurring basis, and their valuation techniques (no changes in 2025) for assets and liabilities recorded at fair value are as follows:

Certificates of deposit: Valued at cost plus accrued interest, which approximates fair value.

The methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Grants Receivables

Grants receivable is stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants receivable. The Organization closely monitors outstanding balances for all receivables and adhere to a standard set of protocols for collection activities to be undertaken at certain times based upon delinquency status. As such, no allowance for doubtful accounts has been established as of December 31, 2025.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment and Depreciation

Acquisitions, renewals, and betterments of $1,000 or more are capitalized and stated at cost. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the statement of activities. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the asset.

Building	39 years
Playground equipment	3 to 10 years
Furniture and equipment	3 to 10 years

Leases

The Organization applies judgment in determining whether a contract contains a lease and whether a lease is classified as an operating lease or a finance lease. The Organization determines the lease term as the non-cancellable term of the lease, which may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease term is used in determining classification between operating lease and finance lease, calculating the lease liability and determining the incremental borrowing rate.

The Organization has several lease contracts that include extension and termination options. The Organization applies judgment in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

After the commencement date of the lease, the Organization reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Organization is required to discount lease payments using the rate implicit in the lease if that rate is readily available. If that rate cannot be readily determined, the lessee is required to use its incremental borrowing rate or the risk-free rate. Information from the lessor regarding the fair value of underlying assets and initial direct costs incurred by the lessor related to the leased assets is not available, and, therefore, the Organization generally uses the risk-free rate when initially recording real estate leases. The risk-free rate applied is based on the yield on U.S. treasury bonds with similar terms to each individual lease's expected term on the recognition date.

Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense is recognized for these leases on a straight-line basis over the lease term.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Grants, Sponsorships, and Contributions

The Organization's receives revenue from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. The services received by the public are not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with the contract or grant provisions.

Sponsorships and contributions are recognized as revenue when unconditionally pledged and are reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified to net assets without donor restrictions and reported in the statement of activity as "net assets released from restrictions." Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

In-Kind Contributions

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Donated goods are reflected as contributions in the accompanying financial statements at their estimated values at the date of receipt. Donated services are recognized as contributions in accordance with ASC 958 if the services: (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. The members of the Board of Directors serve without compensation. Volunteers also provide various services throughout the year that are not recognized as contributions in the financial statements since recognition criteria under ASC 958 were not met.

Special Events

Special event revenues are included in fundraising revenues on the statement of activities, and related receipts are recognized as the events occur.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statements of activities. Directly identifiable expenses are charged to programs and supporting services. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated to more than one function are charged to programs and supporting services which are allocated based on usage studies conducted annually.

Income Taxes

The Organization operates as a non-profit corporation pursuant to Section 501(c)(3) of the Internal Revenue Code. As such, the Organization is subject to income tax only on unrelated business taxable income.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained on examination. As of December 31, 2025, management of the Organization believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

Date of Management's Review

Management has evaluated subsequent events through June 30, 2026, which is the date the financial statements were available to be issued.

(2) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2025, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the balance sheet date. Amounts not available also include amounts set aside for future required finding of debt.

Financial assets, at year end	$	3,587,756
Less those unavailable for general expenditure within one year due to:		
Donor imposed restrictions:		(2,240,000)
Financial assets available to meet cash needs for general expenditures within one year	$	1,347,756

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, debt service, and other obligations come due.

(3) UNCONDITIONAL PROMISES TO GIVE

Pledges receivable consist of the following at December 31, 2025:

Amounts due in less than one year	$	69,000

(4) GRANTS RECEIVABLE

Grants receivable consist of the following at December 31, 2025:

Amounts due in less than one year	$	667,998

(5) PROPERTY AND EQUIPMENT AND DEPRECIATION

Property and equipment consists of the following at December 31, 2025:

Land	$	84,000
Building		2,865,161
Playground equipment		111,750
Furniture and equipment		45,904
Less: accumulated depreciation		(75,415)
Net property and equipment	$	3,031,400

Depreciation expense for the year ended December 31, 2025 totaled $76,954.

(6) INVESTMENTS

Investments consists of the following at December 31, 2025:

Certificates of deposit	$ 2,000,000

(7) LONG-TERM DEBT

The organization entered into two agreements with Liberty Bank and Trust. The first line of credit for $1,500,000 which was converted to a Qualified Low Income Community Investment (QLICI) interest only loan effective November 29, 2023, with a lump sum payment due on November 29, 2030. The interest rate on the loan is 4.5% annually. The second debt obligation is in the amount of $740,000 interest only loan with a lump sum payment due on November 29, 2027, with an interest rate of 8.25%.

Future maturity amounts of long-term liabilities for the next five years are as follows:

2026	$ -
2027	740,000
2028	-
2029	-
2030	1,500,000
Total payments	$ 2,240,000

(8) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2025 are available for the following purposes:

Capital campaign	$ 1,745,633
Housing and supportive services	967,568
Economic Security Program	25,000
Total net assets with donor restriction	$ 2,738,201

(9) RELEASES OF NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes. Purpose restrictions accomplished were $411,146 in 2025.

(10) LEASES

In February 2014, the Organization entered into a lease agreement under a noncancellable operating lease. The initial term of the lease was for a four-year period ended January 31, 2018. The Organization exercised two additional four-year lease renewal options to extend the lease term. The lease requires monthly installments of $4,800 expiring on January 31, 2026. In January 2025, the Organization moved out of the building and into a newly purchased building. The Organization paid $57,600 in lease termination payments to exit the lease agreement early.

(11) CONTRIBUTED NONFINANCIAL ASSETS

In-kind contributions included in the statement of activities for the year ended December 31, 2025 consisted of:

Program consumables	$ 121,773

The Organization received donated goods to be used for shelter operations and to carry out the mission of the Organization. The value of in-kind donated materials determined by the donor at the time of donation.

The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

All contributed nonfinancial assets received by the Organization for the year ended December 31, 2025 were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

(12) CONCENTRATION OF CREDIT RISK

The Organization periodically maintains cash balances in excess of insured limits. The cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. Uninsured portions of bank balances were $403,394 at December 31, 2025.

The Organization receives the majority of its funding through federal and non-federal grants and contributions. These funding sources are dependent upon continued support from governmental agencies, grantors, and donors. A significant reduction in grant funding or contributions could have an adverse effect on the Organization's operations. Approximately 97% of the Organization's support for the year ended December 31, 2025, was derived from federal and non-federal grants and contributions.

(13) COMMITMENTS AND CONTINGENCIES

As of December 31, 2025, the Organization is involved in various legal matters arising in the normal course of business. Management believes that any financial responsibility that may be incurred in settlement of these matters would not be material to the Organization's financial position.

(14) RESTATEMENT OF BEGINNING NET ASSETS

During the year ended December 31, 2025, management identified errors affecting the previously issued financial statements as of and for the year ended December 31, 2024. Accordingly, the beginning net assets as of January 1, 2025 have been adjusted to correct these errors.

The corrections included the following.

A pledge receivable and related contribution revenue of $150,000 were reversed because the contribution did not meet the criteria for recognition at December 31, 2024.

Playground equipment related to donated playground equipment with a fair market value of $100,000 was capitalized, and the related in-kind expense was removed from operating expenses.

Property and equipment was adjusted to (1) allocate $84,000 of the building purchase price to land, (2) capitalize $76,973 of qualifying kitchen build-out costs that had previously been recorded as operating expenses, and (3) reverse $100,000 of depreciation expense that had been recorded on a building prior to being placed in service.

Prepaid expenses were adjusted to properly recognize rent, property insurance, flood insurance, and other prepaid items, resulting in a net increase to beginning net assets of $42,014.

Accounts payable and related operating expenses were adjusted to recognize obligations that existed at December 31, 2024, resulting in a decrease to beginning net assets of $10,951.

Accrued payroll and amounts due to residents were adjusted to reflect obligations existing at December 31, 2024, resulting in a net increase to beginning net assets of $6,045.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2025

	Dawn Bradley-Fletcher CEO
Time served	01/01/2025 - 12/31/2025
Salary	$ 110,846
Benefits - insurance	13,041
Registration fees	160
Conference travel	6,445
Total compensation, benefits, and other payments	$ 130,492

See Independent Auditors' Report

ERICKSEN KRENTEL LLP
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New Orleans, LA 70119
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors and Management of
New Orleans Women & Children's Shelter, Inc.
New Orleans, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of New Orleans Women & Children's Shelter, Inc. (a nonprofit corporation), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 30, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-001 that we consider to be a material weakness.

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Board of Directors and Management of
New Orleans Women & Children's Shelter, Inc.
New Orleans, Louisiana

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether New Orleans Women & Children's Shelter, Inc.'s consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

New Orleans Women & Children's Shelter, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on New Orleans Women & Children's Shelter, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and responses. New Orleans Women & Children's Shelter, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the consolidated 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 New Orleans Women & Children's Shelter, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Orleans Women & Children's Shelter, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

New Orleans, Louisiana
June 30, 2026

Ericksen Krentel, LLP
Certified Public Accountants

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of New Orleans Women & Children's Shelter, Inc. (the Organization).

2. One material weakness in internal control relating to the audit of the financial statements were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards.*

3. No instances of noncompliance material to the financial statements were reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards.*

4. A management letter was not issued for the year ended December 31, 2025.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Material Weakness

Finding 2025-001 Improper Application of Accrual Accounting

Condition: The Organization improperly accounted for an unconditional restricted contribution as a conditional contribution, resulting in the related contribution revenue and receivable not being recognized in the proper period. Additionally, credit card expenditures were recorded based on the statement date rather than the transaction date, resulting in certain liabilities and expenses not being recorded in the proper reporting period.

Criteria: Generally accepted accounting principles (GAAP) require organizations to prepare financial statements using the accrual basis of accounting. Contributions should be recognized in accordance with the applicable accounting guidance based on whether donor-imposed conditions exist, and expenses and related liabilities should be recognized in the period in which they are incurred, regardless of when payment is made.

Effect: Material adjustments were required to properly state revenues, receivables, liabilities, and expenses in the financial statements.

Cause: Management did not have adequate procedures or review controls in place to ensure contributions were properly evaluated for donor-imposed conditions and restrictions or that liabilities and expenses were recorded in the proper accounting period in accordance with the accrual basis of accounting.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

Material Weakness (continued)

Recommendation: We recommend that management implement procedures to evaluate all grants and contributions for the existence of donor-imposed conditions and restrictions before recording revenue. We also recommend that credit card transactions be recorded based on the transaction date so that liabilities and expenses are recognized in the proper accounting period. In addition, management should implement a year-end review process to identify and record all significant accruals before the financial statements are finalized.

View of Responsible Officials: The Organization agrees with the finding and is actively working on rectifying the finding.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

SECTION I FINANCIAL STATEMENT FINDINGS

None noted.

SECTION II FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

None noted.

SECTION III MANAGEMENT LETTER

None noted.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
MANAGEMENT'S CORRECTIVE ACTION PLAN - FINDINGS
DECEMBER 31, 2025

June 30, 2026

Louisiana Legislative Auditor

New Orleans Women & Children's Shelter, Inc. respectfully submits the following corrective action plan for the year ended December 31, 2025.

Name and address of independent public accounting firm:

Ericksen Krentel, L.L.P.
4227 Canal Street
New Orleans, LA 70119

Audit Period: January 1, 2025 – December 31, 2025

The finding from the December 31, 2025 schedule of findings is discussed below. The finding is numbered consistently with the number assigned in the schedule.

SECTION II - FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Finding 2025-001 Improper Application of Accrual Accounting

Recommendation: We recommend that management implement procedures to evaluate all grants and contributions for the existence of donor-imposed conditions and restrictions before recording revenue. We also recommend that credit card transactions be recorded based on the transaction date so that liabilities and expenses are recognized in the proper accounting period. In addition, management should implement a year-end review process to identify and record all significant accruals before the financial statements are finalized.

View of Responsible Officials: The Organization agrees with the finding and is actively working on rectifying the finding.

If there are any questions regarding this plan, please contact Dawn Bradley-Fletcher, CEO, at 504-522-9340.

Sincerely,

Dawn Fletcher (Jun 30, 2026 20:28:27 CDT)

Dawn Bradley-Fletcher
Chief Executive Officer

LOUISIANA LEGISLATIVE AUDITOR

STATEWIDE AGREED-UPON PROCEDURES

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.

FOR THE YEAR ENDED

DECEMBER 31, 2025

ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the Board of Commissioners of
New Orleans Women & Children's Shelter, Inc.
New Orleans, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified by the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the year ended December 31, 2025. New Orleans Women & Children's Shelter's management is responsible for those C/C areas identified in the agreed-upon procedures.

New Orleans Women & Children's Shelter 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 year ended December 31, 2025. 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.

Our procedures and associated findings are detailed in Schedule "1".

We were engaged by New Orleans Women & Children's Shelter 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 agreed-upon procedures. 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 New Orleans Women & Children's Shelter 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 agreed-upon procedures, 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.

June 30, 2026
New Orleans, LA

Ericksen Krentel, LLP
Certified Public Accountants

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2025

WRITTEN POLICIES AND PROCEDURES

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

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

   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.

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

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

   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 rates of pay or approval and maintenance of pay rate 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.

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

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

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

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

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

WRITTEN POLICIES AND PROCEDURES (CONTINUED)

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.

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

Results: The Organization's written policies and procedures included all categories listed above except for the Contracting and Debt Service categories. The policies and procedures did not have all required subcategories for Purchasing, Credit Cards, and Information Technology Disaster Recovery/Business Continuity.

BOARD OR FINANCE COMMITTEE

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

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

   b) For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public fund if those public funds comprised more than 10% of the entity's collections during the fiscal period.

   c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

BOARD OR FINANCE COMMITTEE (CONTIUED)

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

Results: No exceptions were found as a result of applying the procedures.

BANK RECONCILIATIONS

3. **Procedure:** 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:

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

   b) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged), and

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

   Results: All 5 of the bank accounts tested did not include written evidence that a member of management has reviewed each reconciliation within one month of the date prepared.

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)

4. **Procedure:** 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).

5. **Procedure:** 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 (e.g. five collection locations for five deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS) (CONTINUED)

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

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

c) Each employee responsible for collecting cash is not also 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; and

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

6. **Procedure:** Obtain 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 in force during the fiscal period.

7. **Procedure**: Randomly select two deposit dates for each of the five bank accounts selected for Bank Reconciliations procedure #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

   a) Observe that receipts are sequentially pre-numbered.

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

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

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

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

   Results: No exceptions were found as a result of applying the procedures.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

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

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

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

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

   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,

   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; and

   e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

10. **Procedure:** For each location selected under procedure #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

    a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice, and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

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

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES) (CONTINUED)

11. **Procedure:** Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

    Results: No exceptions were found as a result of applying the procedures.

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/PURCHASE CARDS (CARDS)

12. **Procedure**: Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

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

    a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported), and

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

14. **Procedure**: Using the monthly statements or combined statements selected under procedure #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). 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 (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/PURCHASE CARDS (CARDS) (CONTINUED)

15. **Procedure**: Using the list of terminated employees obtained in Payroll and Personnel procedure #20 identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

    Results: The credit card statements and supporting documentation did not include written evidence that there was review and approval by someone other than the authorized card holder. For two transactions, the organization did not document the business purpose and attendees of a meal.

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

16. **Procedure**: 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, and 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:

    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 (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);

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

    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 Policies and Procedures procedure #1A(vii); and

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

    Results: No exceptions were found as a result of applying the procedures.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

CONTRACTS

17. **Procedure**: 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. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

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

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

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

    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.

    Results: No exceptions were found as a result of applying the procedures.

PAYROLL AND PERSONNEL

18. **Procedure:** 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.

19. **Procedure**: Randomly select one pay period during the fiscal period. For the five employees or officials selected under procedure #18 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 (e.g., vacation, sick, compensatory);

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

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

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

PAYROLL AND PERSONNEL (CONTINUED)

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

20. **Procedure:** 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 and, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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

    Results: No exceptions were found as a result of applying the procedures.

ETHICS

22. **Procedure**: Using the five randomly selected employees/officials from Payroll and Personnel procedure #18 obtain ethics documentation from management, and

    a) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170 and

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

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

    Results: Not applicable as the entity is a private non-profit and therefore is not required to comply with R.S. 42.1170.

DEBT SERVICE

23. **Procedure**: 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 debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

DEBT SERVICE (CONTINUED)

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

    Results: No exceptions were found as a result of applying the procedures.

FRAUD NOTICE

25. **Procedure**: 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 as required by R.S. 24:523.

26. **Procedure**: 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.

    Results: No exceptions were found as a result of applying the procedures.

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

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

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

    b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 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 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY (CONTINUED)

28. **Procedure**: Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #20. Observe evidence that the selected terminated employees have been removed or disabled from the network.

29. **Procedure**: Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

    a) Hired before June 9, 2020 - completed the training, and

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

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

PREVENTION OF SEXUAL HARASSMENT

30. **Procedure**: Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #18, 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 as required by R.S. 42:343.

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

32. **Procedure**: 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 the report 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.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

PREVENTION OF SEXUAL HARASSMENT (CONTINUED)

Results: Not applicable as the entity is a private non-profit that is not mandated by funding agencies to comply with R.S. 42:343.

NEW ORLEANS WOMEN & CHILDREN'S SHELTER, INC.
STATEWIDE AGREED-UPON PROCEDURES
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2025

June 30, 2026

Louisiana Legislative Auditor

New Orleans Women and Children's Shelter, Inc. respectfully submits the following corrective action plan for items identified pursuant to the Statewide Agreed-Upon Procedures prescribed by you.

Name and address of independent public accounting firm:

Ericksen Krentel L.L.P.
4227 Canal Street
New Orleans, LA 70119

Engagement Period: January 1, 2025 – December 31, 2025

The exceptions from the statewide agreed-upon procedures report are discussed below:

Written Policies and Procedures

Exceptions: The Organization's written policies and procedures included all categories listed above except for the Contracting and Debt Service categories. The policies and procedures did not have all required subcategories for Purchasing, Credit Cards, and Information Technology Disaster Recovery/Business Continuity.

Bank Reconciliations

Exceptions: All 5 of the bank accounts tested did not include written evidence that a member of management has reviewed each reconciliation within one month of the date prepared.

Credit Cards/ Debit Cards/ Fuel Cards/ P-Cards (Cards)

Exceptions: The credit card statements and supporting documentation did not include written evidence that there was review and approval by someone other than the authorized card holder. For two transactions, the organization did not document the business purpose and attendees of a meal.

Management's Response to Exceptions: Management has noted and agrees with the above exceptions. Management will consider the effects of such exceptions and the need to enhance key controls or compensating controls in the identified areas

If there are any questions regarding this plan, please call Dawn Bradley-Fletcher, Chief Executive Officer, at (504) 522-9340.

Sincerely,

Dawn Fletcher (Jun 30, 2026 20:28:27 CDT) CEO

Signature Title