

**SOUTHWEST LOUISIANA AREA  
HEALTH EDUCATION CENTER  
FOUNDATION**

Lafayette, Louisiana

Financial Report

Years Ended June 30, 2021 and 2020

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## INDEPENDENT AUDITORS' REPORT

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The Board of Directors  
Southwest Louisiana Area Health  
Education Center Foundation  
Lafayette, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of Southwest Louisiana Area Health Education Center Foundation (SWLAHEC) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SWLAHEC as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021, on our consideration of SWLAHEC'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 the SWLAHEC'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 SWLAHEC's internal control over financial reporting and compliance.

***Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC***

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, LLC  
Certified Public Accountants

Lafayette, Louisiana  
November 30, 2021

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2021 AND 2020**

**ASSETS**

	<u>2021</u>	<u>2020</u>
<b>CURRENT ASSETS</b>		
Cash and Interest Bearing Deposits	\$ 1,295,165	\$ 360,280
Due from Other Agencies	1,079,034	781,667
Prepaid Expenses	<u>21,207</u>	<u>15,086</u>
Total Current Assets	<u>2,395,406</u>	<u>1,157,033</u>
 <b>PROPERTY AND EQUIPMENT (NET)</b>	 <u>1,031,397</u>	 <u>1,014,878</u>
 <b>OTHER ASSETS</b>		
Utility Deposits	<u>1,211</u>	<u>1,206</u>
 TOTAL ASSETS	 <u>\$ 3,428,014</u>	 <u>\$ 2,173,117</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Notes Payable - Current Portion	\$ 16,440	\$ 15,522
Accounts Payable	124,998	55,087
Accrued Liabilities	137,135	115,532
Deferred Revenue	<u>222,548</u>	<u>55,348</u>
Total Current Liabilities	<u>501,121</u>	<u>241,489</u>
 <b>LONG-TERM LIABILITIES</b>	 <u>463,592</u>	 <u>479,804</u>
 TOTAL LIABILITIES	 <u>964,713</u>	 <u>721,293</u>
 <b>NET ASSETS</b>		
Without Donor Restrictions	2,450,983	1,433,745
With Donor Restrictions	<u>12,319</u>	<u>18,079</u>
Total Net Assets	<u>2,463,302</u>	<u>1,451,824</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 3,428,015</u>	 <u>\$ 2,173,117</u>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENTS OF ACTIVITIES  
JUNE 30, 2021 AND 2020**

	2021	2020
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>REVENUES AND OTHER SUPPORT</b>		
Grant Revenue	\$ 6,405,089	\$ 4,030,271
Interest Income	599	833
Miscellaneous Revenue	7,683	21,114
Total Unrestricted Revenues and Other Support	6,413,371	4,052,218
 <b>NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>		
Satisfaction of Equipment Acquisition Restrictions	5,759	7,006
 Total Revenues, Other Support, and Net Assets Released From Donor Restrictions	6,419,130	4,059,224
 <b>EXPENSES</b>		
Program Services:		
Health Education	4,635,897	3,369,031
Supporting Services:		
Management and General	765,996	652,504
Total Expenses	5,401,893	4,021,535
 <b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	1,017,237	37,689
 <b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Grant - Equipment	1,316	2,125
Equipment Acquisition Restrictions	(7,075)	(9,131)
 <b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>	(5,759)	(7,006)
 <b>CHANGE IN NET ASSETS</b>	1,011,478	30,683
 NET ASSETS AT BEGINNING OF YEAR	1,451,824	1,421,141
 NET ASSETS AT END OF YEAR	\$ 2,463,302	\$ 1,451,824

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES  
JUNE 30, 2021**

	Calcasieu Parish Health Unit	Launch	Fetal Infant Mortality Review	Tulane	COVID-19
Compensation and Related Expenses					
Salaries	\$ 513,295	\$ 200,357	\$ 275,501	\$ 117,382	\$ 369,009
Employee Benefits					
Medical and Dental Insurance	70,284	13,633	18,728	55	2,259
401(k) Retirement Contributions	19,320	8,138	8,225	2,542	8,916
Payroll Taxes	39,103	15,727	20,543	9,015	28,684
	<u>642,002</u>	<u>237,855</u>	<u>322,997</u>	<u>128,994</u>	<u>408,868</u>
Conference Registration	-	3,278	-	-	-
Contractual Services	-	47,105	6,983	-	677,531
Depreciation	-	1,353	850	-	-
Equipment	-	-	-	-	-
Incentives	-	-	-	-	-
Insurance	2,408	972	1,294	549	9,043
Interest	-	-	-	-	-
Marketing Expense	-	-	-	-	2,076
Meetings Expense	-	-	-	-	569
Other	462	-	-	-	-
Postage	-	139	13	-	-
Printing	-	-	-	-	-
Professional Fees	-	-	-	-	-
Rental Expense	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Stipends	-	-	-	-	-
Sponsorship Expenses	-	-	-	-	-
Subscriptions	-	-	-	-	846
Supplies	-	1,592	2,890	-	57,970
Travel and Transportation	-	-	169	3,519	7,505
Utilities and Telephone	-	2,568	-	-	-
	<u>-</u>	<u>2,568</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL</b>	<u>\$ 644,872</u>	<u>\$ 294,862</u>	<u>\$ 335,196</u>	<u>\$ 133,062</u>	<u>\$ 1,164,408</u>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES - continued  
JUNE 30, 2021**

	SNAP	Nurse Family Partnership	Well Ahead	Cameron Parish Police Jury	Navigator
Compensation and Related Expenses					
Salaries	\$ 77,499	\$ 321,647	\$ 87,761	\$ 68,542	\$ 98,296
Employee Benefits					
Medical and Dental Insurance	13,402	25,396	11,103	6,801	11,572
401(k) Retirement Contributions	3,098	12,631	3,294	2,339	3,409
Payroll Taxes	5,939	24,861	6,560	5,285	7,291
	<u>99,938</u>	<u>384,535</u>	<u>108,718</u>	<u>82,967</u>	<u>120,568</u>
Conference Registration	-	-	498	-	85
Contractual Services	-	-	323,034	-	65,236
Depreciation	-	1,903	-	-	-
Equipment	376	-	-	-	-
Incentives	-	-	-	-	-
Insurance	366	326	426	327	1,577
Interest	-	-	-	-	-
Marketing Expense	-	-	-	-	1,161
Meetings Expense	-	-	-	-	-
Other	-	667	-	111	294
Postage	-	480	-	-	354
Printing	2,925	-	-	-	523
Professional Fees	-	-	-	-	-
Rental Expense	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Stipends	-	-	526	-	-
Sponsorship Expenses	-	-	-	-	-
Subscriptions	-	-	-	-	163
Supplies	740	12,444	101	-	920
Travel and Transportation	4,100	1,403	-	-	783
Utilities and Telephone	-	1,685	777	-	1,813
	<u>-</u>	<u>1,685</u>	<u>777</u>	<u>-</u>	<u>1,813</u>
<b>TOTAL</b>	<b><u>\$ 108,445</u></b>	<b><u>\$ 403,443</u></b>	<b><u>\$ 434,080</u></b>	<b><u>\$ 83,405</u></b>	<b><u>\$ 193,477</u></b>

The accompanying notes are an integral part of these statements.



**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES - continued  
JUNE 30, 2021**

	WIC IV	WIC V	Other Programs	Total Program Services	Management and General	Total
Compensation and Related Expenses						
Salaries	\$ 140,845	\$ 153,715	\$ 283,038	\$ 2,706,887	\$ 386,461	\$ 3,093,348
Employee Benefits						
Medical and Dental Insurance	20,434	24,248	38,244	256,159	29,801	285,960
401(k) Retirement Contributions	3,978	4,515	6,307	86,712	15,080	101,792
Payroll Taxes	10,707	11,109	21,729	206,553	27,911	234,464
	<u>175,964</u>	<u>193,587</u>	<u>349,318</u>	<u>3,256,311</u>	<u>459,253</u>	<u>3,715,564</u>
Conference Registration	-	-	250	4,111	725	4,836
Contractual Services	-	-	34,390	1,154,279	101,983	1,256,262
Depreciation	-	-	2,969	7,075	30,475	37,550
Equipment	-	-	5,410	5,786	-	5,786
Incentives	-	-	-	-	-	-
Insurance	662	717	1,355	20,022	40,757	60,779
Interest	-	-	-	-	28,300	28,300
Marketing Expense	-	-	3,652	6,889	-	6,889
Meetings Expense	-	-	95	664	248	912
Other	-	-	3,992	5,526	1,131	6,657
Postage	-	-	3,439	4,425	154	4,579
Printing	-	-	1,977	5,425	318	5,743
Professional Fees	-	-	-	-	510	510
Rental Expense	-	-	2,500	2,500	182	2,682
Repairs and Maintenance	-	-	-	-	6,473	6,473
Stipends	-	-	21,500	22,026	-	22,026
Sponsorship Expenses	-	-	-	-	400	400
Subscriptions	-	-	721	1,730	2,357	4,087
Supplies	-	-	27,775	104,432	6,624	111,056
Travel and Transportation	1,972	-	5,750	25,201	70,777	95,978
Utilities and Telephone	-	-	2,652	9,495	15,329	24,824
	<u>178,598</u>	<u>194,304</u>	<u>467,745</u>	<u>4,635,897</u>	<u>765,996</u>	<u>5,401,893</u>
TOTAL	<u>\$ 178,598</u>	<u>\$ 194,304</u>	<u>\$ 467,745</u>	<u>\$ 4,635,897</u>	<u>\$ 765,996</u>	<u>\$ 5,401,893</u>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES  
JUNE 30, 2020**

	Calcasieu Parish Health Unit	Launch	Fetal Infant Mortality Review	HIV/AIDS- HAP	COVID-19
Compensation and Related Expenses					
Salaries	\$ 487,642	\$ 239,225	\$ 243,187	\$ 21,401	\$ 288
Employee Benefits					
Medical and Dental Insurance	62,537	15,039	12,113	3,814	-
401(k) Retirement Contributions	13,754	7,372	4,699	877	-
Payroll Taxes	38,338	18,373	18,777	1,661	26
	<u>602,271</u>	<u>280,009</u>	<u>278,776</u>	<u>27,753</u>	<u>314</u>
Conference Registration	-	1,250	-	35	-
Contractual Services	-	16,554	15,192	-	25,837
Depreciation	-	2,599	755	-	-
Equipment	-	-	-	-	-
Incentives	-	-	-	-	-
Insurance	2,286	1,111	1,156	103	1
Interest	-	-	-	-	-
Marketing Expense	-	-	-	-	235
Meetings Expense	-	-	-	172	138
Other	106	90	-	-	-
Postage	-	47	35	29	-
Printing	-	-	-	-	-
Professional Fees	-	-	-	-	-
Rental Expense	-	-	-	897	-
Repairs and Maintenance	-	-	-	-	-
Stipends	-	-	-	-	-
Sponsorship Expenses	-	-	-	-	-
Subscriptions	-	-	-	-	300
Supplies	-	8,191	2,884	13,675	394
Travel and Transportation	832	4,881	4,500	2,966	-
Utilities and Telephone	-	2,831	-	1,368	-
	<u>-</u>	<u>2,831</u>	<u>-</u>	<u>1,368</u>	<u>-</u>
<b>TOTAL</b>	<b><u>\$ 605,495</u></b>	<b><u>\$ 317,563</u></b>	<b><u>\$ 303,298</u></b>	<b><u>\$ 46,998</u></b>	<b><u>\$ 27,219</u></b>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES - continued  
JUNE 30, 2020**

	SNAP	Nurse Family Partnership	Well Ahead	Partnership	Navigator
Compensation and Related Expenses					
Salaries	\$ 87,799	\$ 373,775	\$ 97,104	\$ 40,545	\$ 88,514
Employee Benefits					
Medical and Dental Insurance	14,315	21,282	9,727	3,467	11,911
401(k) Retirement Contributions	3,094	12,484	1,603	6	3,397
Payroll Taxes	6,723	28,595	6,854	3,119	6,592
	<u>111,931</u>	<u>436,136</u>	<u>115,288</u>	<u>47,137</u>	<u>110,414</u>
Conference Registration	-	-	1,251	-	170
Contractual Services	-	10,680	269,225	130	77,620
Depreciation	-	2,311	-	93	100
Equipment	376	-	-	-	-
Incentives	-	-	-	-	-
Insurance	393	463	433	177	1,606
Interest	-	-	-	-	-
Marketing Expense	-	-	5,490	21	1,369
Meetings Expense	-	-	-	783	-
Other	-	170	-	693	-
Postage	-	26	-	-	3,516
Printing	4,189	-	1,142	678	842
Professional Fees	-	-	300	-	-
Rental Expense	-	-	-	147	-
Repairs and Maintenance	-	-	-	-	-
Stipends	-	-	-	-	-
Sponsorship Expenses	-	-	-	-	-
Subscriptions	-	-	-	-	-
Supplies	544	10,082	14,162	490	4,681
Travel and Transportation	6,142	20,615	5,324	989	4,288
Utilities and Telephone	-	1,701	827	-	1,332
	<u>123,575</u>	<u>482,184</u>	<u>413,442</u>	<u>51,338</u>	<u>205,938</u>
TOTAL	<u>\$ 123,575</u>	<u>\$ 482,184</u>	<u>\$ 413,442</u>	<u>\$ 51,338</u>	<u>\$ 205,938</u>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES - continued  
JUNE 30, 2020**

	WIC IV	WIC V	Other Programs	Total Program Services	Management and General	Total
Compensation and Related Expenses						
Salaries	\$ 122,484	\$ 116,686	\$ 315,227	\$ 2,233,877	\$ 345,878	\$ 2,579,755
Employee Benefits						
Medical and Dental Insurance	17,900	17,871	21,979	211,955	26,782	238,737
401(k) Retirement Contributions	2,942	4,161	8,267	62,656	13,753	76,409
Payroll Taxes	9,767	9,211	24,640	172,676	25,862	198,538
	<u>153,093</u>	<u>147,929</u>	<u>370,113</u>	<u>2,681,164</u>	<u>412,275</u>	<u>3,093,439</u>
Conference Registration	-	-	50	2,756	235	2,991
Contractual Services	-	-	42,039	457,277	113,506	570,783
Depreciation	-	-	3,273	9,131	23,205	32,336
Equipment	-	-	-	376	336	712
Incentives	-	-	140	140	-	140
Insurance	550	545	1,444	10,268	33,602	43,870
Interest	-	-	-	-	16,889	16,889
Marketing Expense	-	-	4,201	11,316	-	11,316
Meetings Expense	-	-	6,882	7,975	2,158	10,133
Other	-	-	3,111	4,170	1,211	5,381
Postage	-	-	1,133	4,786	943	5,729
Printing	-	-	1,251	8,102	82	8,184
Professional Fees	-	-	-	300	754	1,054
Rental Expense	-	-	6,985	8,029	1,532	9,561
Repairs and Maintenance	-	-	596	596	3,233	3,829
Stipends	-	-	9,500	9,500	-	9,500
Sponsorship Expenses	-	-	-	-	150	150
Subscriptions	-	-	889	1,189	5,844	7,033
Supplies	-	-	18,195	73,298	13,531	86,829
Travel and Transportation	1,039	-	17,313	68,889	7,828	76,717
Utilities and Telephone	-	-	1,710	9,769	15,190	24,959
	<u>154,682</u>	<u>148,474</u>	<u>488,825</u>	<u>3,369,031</u>	<u>652,504</u>	<u>4,021,535</u>
TOTAL	<u>\$ 154,682</u>	<u>\$ 148,474</u>	<u>\$ 488,825</u>	<u>\$ 3,369,031</u>	<u>\$ 652,504</u>	<u>\$ 4,021,535</u>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**STATEMENTS OF CASH FLOWS  
JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 1,011,478	\$ 30,683
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:		
Depreciation	37,550	32,336
Changes in Current Assets and Liabilities:		
Due from Other Agencies	(297,367)	51,169
Prepaid Expenses	(6,121)	668
Other Assets	(5)	-
Accounts Payable	69,911	(12,933)
Accrued Liabilities	21,603	29,284
Deferred Revenue	<u>167,200</u>	<u>1,878</u>
Net Cash Provided By Operating Activities	<u>1,004,249</u>	<u>133,085</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	<u>(54,069)</u>	<u>(121,168)</u>
Net Cash (Used In) Investing Activities	<u>(54,069)</u>	<u>(121,168)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Long-Term Debt	-	90,742
Repayment of Long-Term Debt	<u>(15,294)</u>	<u>-</u>
Net Cash Provided By (Used In) Financing Activities	<u>(15,294)</u>	<u>90,742</u>
<b>NET CHANGE IN CASH AND EQUIVALENTS</b>	<b>934,886</b>	<b>102,659</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>360,280</u></b>	<b><u>257,621</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 1,295,166</u></b>	<b><u>\$ 360,280</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the year for:		
Interest	<u>\$ 28,300</u>	<u>\$ 30,051</u>

The accompanying notes are an integral part of these statements.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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

**Nature of Organization** - Southwest Louisiana Area Health Education Center Foundation (SWLAHEC) is a Louisiana nonprofit corporation chartered on March 7, 1991. The mission of SWLAHEC is to improve health status through access to information, education and health services. The Organization seeks to improve health through numerous programs focusing on two main areas: 1) recruiting and educating health professionals and 2) educating the public on how to live healthier lives.

SWLAHEC is an independent nonprofit organization and a member of the national network of Area Health Education Centers (AHECs) operating in 48 states. AHECs are administered by the U.S. Health Resources and Services Administration's Bureau of Health Professions. The AHEC network was launched in 1972 by federal legislation.

**Basis of Presentation** - The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Basis of Accounting** - The financial statements of SWLAHEC have been prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

**Contributions and Support** - All contributions received are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes 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. When a restriction expires net assets with donor restrictions are reclassified as net assets without donor restrictions in the statement of activities.

**Cash and Cash Equivalents** - For the purpose of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

**Allowance for Doubtful Accounts** - SWLAHEC considers accounts receivable/due from other agencies to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded at June 30, 2021 and 2020.

The Organization generally does not require collateral, and the majority of its receivables are unsecured. The carrying amount for accounts receivable approximates fair value.

**Deferred Revenue** - Deferred revenue represents funding received for which the related expenses have not been incurred by the Organization. At June 30, 2021 and 2020 deferred revenues were \$222,548 and \$55,348, respectively.

**Advertising** - Advertising costs are expensed as incurred. Marketing and advertising costs incurred during the fiscal years ended June 30, 2021 or 2020 was \$6,889 and \$11,316, respectively.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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

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

**Federal Financial Awards** - Revenues for direct and indirect federal contracts are recorded based on expenses incurred for contracts that are on a cost reimbursement basis, and based on the units of service for those contracts which are on a fee for service basis. In the Statement of Activities, these revenues are referred to as 'grant revenue'. Related contract receivables are referred to as 'due from other agencies' in the Statement of Financial Position.

**Donated Services** - SWLAHEC receives donated services from unpaid volunteers who assist in program services during the year. These donated services are not reflected in the statements of activities because the criteria for recognition under Accounting Standards Codification (ASC) 958-605-50-1 have not been satisfied.

**Property and Equipment** - The Organization capitalizes all expenditures in excess of \$500 for property and equipment at historical cost at the date of acquisition. Property and equipment purchased with grant funds, excluding those purchased under the LSUHSC agreement as discussed below, are considered to be temporarily restricted. In the absence of donor stipulations regarding how long the asset must be used, SWLAHEC has adopted a policy of implying a time restriction that expires over the useful life of the assets. Depreciation is computed using the straight-line method over the assets' estimated useful lives. Estimated useful lives for buildings are 39 years and equipment, furniture and fixtures have useful lives ranging from 5 to 10 years.

The cost of office furniture and equipment purchased under the cooperative endeavor between LSUHSC and SWLAHEC has not been capitalized. Title to the equipment purchased under this agreement remains with LSUHSC. The total cost of equipment at June 30, 2021 and 2020, purchased under the cooperative endeavor with LSUHSC, was \$101,391 and \$101,391, respectively.

**Impairments** - Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2021, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

**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.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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

**Compensated Absences** - Employees of the Organization earn leave in varying amounts depending upon length of service. Accrual is capped at either 15 or 20 days depending upon years of service. As such, no employee may have more than 20 days of service accrued at any time. Subject to the above limitation, unused time is paid to an employee upon retirement or resignation at hourly rates being earned by that employee at separation. At June 30, 2021 and 2020, accrued annual leave totaled \$132,312 and \$115,062, respectively, and are included in accrued liabilities in the Statement of Financial Position.

**Income Taxes** - SWLAHEC qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

As of June 30, 2021, tax returns for 2018, 2019, and 2020 remain open to examination by taxing authorities. Management believes that all positions taken in those returns would be sustained if examined by taxing authorities.

**Revenue Recognition**

The Organization receives support in the form of grants from federal, state, and local governmental agencies, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the Statement of Financial Position. No amounts were received in advance under the Organization's grants in 2021.

**Fair Value Considerations** - Fair value is used to measure financial and certain nonfinancial assets and liabilities measured or disclosed at fair value on a recurring basis (at least annually). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value hierarchy established and prioritized fair value measurements into three levels based on the nature of the inputs. The hierarchy gives the highest priority to inputs based on market data from independent sources (observable inputs – Level 1) and the lowest priority to a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs – Level 3).

The fair value option allows entities to choose, at specified election dates, to measure eligible financial assets and financial liabilities at fair value that are not otherwise required to be measured at fair value. If an entity elects the fair value option for an eligible item, changes in that item's fair value in subsequent reporting periods must be recognized in current earnings. The fair value option was not elected for the measurements of any eligible assets or liabilities.

The estimated fair values of each entity's short-term financial instruments (primarily cash and cash equivalents, receivables, accounts payables, accrued expenses, short-term debt and lines of credit) approximate their individual carrying amounts due to the relatively short period between their origination and expected realization or payment. Based on market rates for similar loans, the fair value of long-term debt approximates their carrying value.



**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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

**Net Assets** – Net assets, revenue, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of SWLAHEC's management and the board of directors.

*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 SWLAHEC or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**(B) DUE FROM OTHER AGENCIES**

Due from other agencies consisted of the following at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
State of Louisiana	\$ 423,850	\$ 337,938
Federal Government	317,834	59,049
Other	<u>337,350</u>	<u>384,680</u>
Total	<u>\$ 1,079,034</u>	<u>\$ 781,667</u>

**(C) PROPERTY AND EQUIPMENT**

Property and Equipment consist of the following:

	<u>2021</u>	<u>2020</u>
Land	\$ 256,424	\$ 256,424
Building	797,799	792,752
Equipment	231,106	200,888
Furniture and Fixtures	15,450	14,290
Improvements	14,798	14,798
Construction in Progress	<u>17,644</u>	<u>-</u>
	1,333,221	1,279,152
Less: Accumulated Depreciation	<u>(301,824)</u>	<u>(264,274)</u>
Total Fixed Assets	<u>\$1,031,397</u>	<u>\$ 1,014,878</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$37,550 and \$32,336, respectively.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**(D) RETIREMENT BENEFITS**

SWLAHEC maintains a 401(k) Retirement Plan for its employees. Generally, all employees are eligible to participate in the plan. The Organization's contribution was 4 percent of gross payroll for each eligible participant in fiscal years 2021 and 2020. Contributions made for the fiscal years ended June 30, 2021 and 2020 were \$101,792 and \$76,409 respectively.

**(E) CONCENTRATION OF CREDIT RISK**

SWLAHEC typically maintains cash and cash equivalents in local banks which may, at times, exceed the Federal Deposit Insurance Corporation (FDIC) limits of up to \$250,000 per institution. It is the opinion of management that the solvency of these financial institutions is not of concern at this time. The excess amount at June 20, 2021 was \$938,500.

The majority of SWLAHEC's revenues and accounts receivable are from contracts with the Louisiana Department of Health and Hospitals (DHH) and the U.S. Department of Health and Human Services. The contracts are administered by DHH under programs which are funded primarily by federal government grants. If federal funding levels for the programs are reduced, or if the contracts are not renewed, the impact on the Organization could be severe.

**(F) SUMMARY OF GRANTS/CONTRACT FUNDING**

SWLAHEC is funded through the following grants and contracts for the year ended June 30, 2021:

<u>Funding Source</u>	<u>Award Number</u>	<u>Support</u>
State of Louisiana Department of Health and Hospitals:		
HIV Prevention Program	LAGOV: 2000418620	\$ 20,295
Fetal Infant Mortality Review	LAGOV: 2000251540	362,896
Nurse Family Partnership Program	LAGOV: 2000506411	446,779
WIC IV	LAGOV: 2000413422	193,773
WIC V	LAGOV: 2000420304	209,576
Launch	LAGOV: 2000432878	55,510
Launch	LAGOV: 2000432977	272,187
Well Ahead	LAGOV: 2000530120	475,070
Epidemiology and Laboratory-COVID	LAGOV: 2000530120	1,960,798
Immunization Cooperative Agreement-COVID	LAGOV: 2000530120	235,535
Louisiana State University Health Science Center:		
Area Health Education Centers Program-COVID	20-OME-202-SW	35,796
State of Louisiana Division of Administration:		
Louisiana State University School of Medicine	21-OME-200-SW	471,647

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**(F) SUMMARY OF GRANTS/CONTRACT FUNDING – (continued)**

State of Louisiana Department of Public Safety:		
Louisiana Highway Safety Commission		
Social Norming for Alcohol Prevention	SRM: 2000377270	36,326
Social Norming for Alcohol Prevention	SRM: 2000531053	107,337
U.S. Department of Health and Human Services:		
Navigator Grant	1NAVCA190369-01-00	34,379
Navigator Grant	1NAVCA190369-02-00	184,306
Calcasieu Parish Police Jury		755,304
Cameron Parish Police Jury		91,797
Region V Task Force-Southern HIV Impact Fund		30,029
Tulane University		172,709
AHEC of a SMILE		60,177
Suicide Prevention		51,932
Harm Reduction		66,246
Smoke Free LC/ANDRF		14,939
Bring Back Louisiana		6,432
Consumer State Advocacy Project		8,652
Other		144
Southwest Louisiana Area Health Education Center:		
Eat, Play, Grow		<u>44,518</u>
Total		<u>\$6,405,089</u>

Approximately 66% of the total fiscal year 2021 grants and contract revenues are provided by the State of Louisiana Department of Health and Hospitals through various grant programs. Approximately 7% is provided by the Louisiana State University and Agricultural and Mechanical College acting on behalf of the Louisiana State University Health Sciences Center (LSUHSC).

LSUHSC has been awarded a grant by the state government, and the agreement entered into between LSUHSC and SWLAHEC for providing services fulfills the purpose of the grant. Another 3% of the total fiscal year 2021 grants and contracts revenue is provided by the U.S. Department of Health and Human Services for the Navigator grant. In addition, the Organization has entered into various agreements with state and local agencies to provide various health related services amounting to the remaining 24% of grant and contract revenues.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**(G) LONG-TERM DEBT**

On February 12, 2019, the Organization entered into a \$500,000 note payable for the purchase and rehabilitation of a building. The terms of the loan are interest only payments for 12 consecutive months beginning March 12, 2019 then 227 monthly principal and interest payments of \$3,632.74 beginning March 12, 2020 with one final payment of \$1,989.06 on December 12, 2038. The loan bears interest at 5.75 percent per annum and the Organization drew down the funds on an as needed basis during the rehabilitation process, which has been completed.

The following is a summary of long-term debt and pledged assets at June 30,

	<u>2021</u>	<u>2020</u>
Note payable-bank dated February 12, 2019, bearing interest at 5.75 percent per annum, the loan is secured by a mortgage on the land and building.	\$ 480,032	\$ 495,326
Less: Current Portion	<u>(16,440)</u>	<u>(15,522)</u>
Long-Term Portion	<u>\$ 463,592</u>	<u>\$ 479,804</u>

Interest expense for the years ended June 30, 2021 and 2020 totaled \$28,300 and \$30,051, respectively. Interest expense was capitalized as a cost of construction during the construction period in the amount of \$0 and \$13,162, for the years ended June 30, 2021 and 2020, respectively.

Maturities of long-term debt at June 30 are as follows,

2022	\$ 16,440
2023	17,409
2024	18,437
2025	19,526
2026	20,678
Thereafter	<u>387,542</u>
	<u>\$ 480,032</u>

**(H) NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Equipment	<u>\$ 12,319</u>	<u>\$ 18,079</u>

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

**(I) NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose or the expiration of time during the years ended June 30, 2021 and 2020 as follows:

	<u>2021</u>	<u>2020</u>
Equipment	\$ <u>7,075</u>	\$ <u>9,131</u>

**(J) FINANCIAL INSTRUMENTS**

Financial instruments that potentially subject SWLAHEC to concentrations of credit risk consist principally of temporary cash investments. The Organization places its temporary cash investments with several high-quality financial institutions. At times, amounts may be in excess of the FDIC insurance limit of \$250,000. As of June 30, 2021, the Organization's cash balance was underinsured by \$938,500.

The fair values of SWLAHEC's financial instruments are as follows:

Cash and short-term investments – The carrying amount approximates fair value because of the short maturities of those investments.

**(K) COMPENSATION, BENEFITS AND OTHER PAYMENTS TO EXECUTIVE DIRECTOR**

A detail of compensation, benefits, and other payments paid to the Executive Director, Brian Burton, for the year ended June 30, 2021:

<u>Purpose</u>		<u>Brian Burton</u>
Salary	\$	192,603
Benefits – Insurance	\$	6,842
Benefits – Retirement	\$	7,704
Reimbursements	\$	-
Registration Fees	\$	300
Conference Travel	\$	-

**(L) LIQUIDITY AND AVAILABILITY**

The Organization has \$2,374,199 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$1,295,165 and receivables of \$1,079,034. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position.

**(M) SUBSEQUENT EVENTS**

Subsequent events were evaluated through November 30, 2021, which is the date the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**

**INTERNAL CONTROL, COMPLIANCE  
AND OTHER GRANT INFORMATION**

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2021**

Program Title	Assistance Listing #	Federal Assistance I.D. Number	Pass-Through Grantor Number	Expenditures	Paid to Subrecipients
<b>DIRECT PROGRAMS:</b>					
<b>U.S. Department of Health and Human Services-</b>					
PHF - 2019 - Cooperative Agreement to Support Navigators in Federally-facilitated and State-facilitated Exchanges	93.332	NAVCA190369-01-00	-	\$ 34,379	\$ 10,567
PHF - 2020 - Cooperative Agreement to Support Navigators in Federally-facilitated and State-facilitated Exchanges	93.332	NAVCA190369-02-00	-	184,306	54,200
<b>PASS-THROUGH PROGRAMS:</b>					
<b>U.S. Department of Health and Human Services-</b>					
State Department of Health and Hospitals:					
Fetal Infant Mortality Review	93.994	N/A	LAGOV: 2000491258	307,235	-
Nurse Family Partnership	93.994	N/A	LAGOV: 2000506411	302,137	-
Maternal and Child Health Block Grant - Launch	93.994	N/A	LAGOV: 2000432977	185,060	-
HIV Prevention Activities - Health Department Based	93.940	N/A	LAGOV: 2000418620	20,295	-
Maternal Depression -Early Childhood Comprehensive System-Impact	93.110	N/A	LAGOV: 2000432878	55,510	-
Maternal Depression - Launch	93.110	N/A	LAGOV: 2000432977	87,127	-
Well Ahead Program	93.758	N/A	LAGOV: 2000530120	475,070	-
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	*	N/A	144,643	-
Epidemiology and Laboratory Capacity for Infection Disease-COVID	93.323	*	N/A	1,960,798	-
Immunization Cooperative Agreements - COVID	93.268	N/A	LAGOV: 2000540771	235,535	-
Preventing Maternal Deaths: Suuporting Maternal Review	93.478	N/A	LAGOV: 2000491258	47,980	-
Louisiana State University Health Sciences Center:					
Area Health Model Program	93.107	N/A	21-OME-200-SW	110,678	-
COVID Supplemental Funds	93.107	N/A	21-OME-200-SW	35,796	-
McNeese State University:					
Suicide Prevention and Education Coordinator Agreement	93.959	N/A	-	51,932	-
Imperial Calcasieu Human Services Authority:					
Harm Reduction	93.959	N/A	-	66,246	-
<b>U.S. Department of Agriculture-</b>					
State Department of Health and Hospitals:					
WIC IV	10.557	*	N/A	193,773	-
WIC V	10.557	*	N/A	209,576	-
<b>U.S. Department of Transportation-</b>					
State Department of Public Safety and Corrections:					
SNAP Partnership Grant	20.607	N/A	SRM: 2000377270	36,326	-
SNAP Partnership Grant	20.607	N/A	SRM: 2000531053	107,337	-
<b>Consumer Product Safety Commission-</b>					
State Department of Health and Hospitals:					
Virginia Graeme Baker Pool and Spa Safety Grant	87.002	N/A	LAGOV: 2000251540	7,681	-
Total Expenditures				<u>\$ 4,859,420</u>	<u>64,767</u>

\* - denotes a major program.



**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**NOTES TO THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS  
JUNE 30, 2021**

**(A) BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Southwest Louisiana Area Health Education Center Foundation under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (1) 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 reimbursements.
- (2) Pass-through entity identifying numbers are presented where available.

**(C) INDIRECT COST RATE**

SWLAHEC has elected not to use the 10% de minimis indirect cost rate for the year ended June 30, 2021.

# WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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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

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MICAH R. VIDRINE, CPA \*

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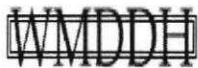
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The Board of Directors  
Southwest Louisiana Area Health  
Education Center Foundation  
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Southwest Louisiana Area Health Education Center Foundation (SWLAHEC) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2021.

### Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether SWLAHEC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, LLC  
Certified Public Accountants

Lafayette, Louisiana  
November 30, 2021

# WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Directors  
Southwest Louisiana Area Health  
Education Center Foundation  
Lafayette, Louisiana

### Report on Compliance for Each Major Federal Program

We have audited Southwest Louisiana Area Health Education Center Foundation's (SWLAHEC) (a nonprofit organization) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of SWLAHEC's major federal programs for the year ended June 30, 2021. SWLAHEC's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### Auditors' Responsibility

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

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

### ***Opinion on Each Major Federal Program***

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

### **Report on Internal Control over Compliance**

Management of SWLAHEC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered SWLAHEC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of SWLAHEC's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, LLC  
Certified Public Accountants

Lafayette, Louisiana  
November 30, 2021

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

We have audited the financial statements of Southwest Louisiana Area Health Education Center Foundation as of and for the year ended June 30, 2021 and have issued our report thereon dated November 30, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2021 resulted in an unmodified opinion.

***Section I - Summary of Auditors' Reports***

a. *Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control

Significant Deficiencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Material Weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Noncompliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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b. *Federal Awards*

Major Programs Identification

SWLAHEC at June 30, 2021, had three major programs:

- Department of Health and Human Services -Assistance Listing No. 93.870 – Maternal, Infant, and Early Childhood Home Visiting Program
- Department of Health and Human Services – Assistance Listing No. 93.323 – Epidemiology and Laboratory Capacity for Infection Disease – COVID-19
- Department of Agriculture – Assistance Listing No. 10.557 – WIC Special Supplemental Nutrition Program for Women, Infants and Children

Low-Risk Auditee

SWLAHEC is considered a low-risk auditee for the year ended June 30, 2021.

Major Programs - Threshold

The dollar threshold to distinguish between Type A and Type B programs is \$750,000 for the year ended June 30, 2021.

Auditors' Report - Major Programs

An unmodified opinion has been issued on SWLAHEC's compliance for its major programs as of and for the year ended June 30, 2021.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued  
YEAR ENDED JUNE 30, 2021**

*Section I - Summary of Auditors' Reports - continued*

Significant Deficiencies – Major Program

There were no significant deficiencies noted during the audit of the major federal programs.

*Section II - Financial Statement Findings*

There were no findings in the current year.

*Section III - Federal Awards Findings and Questioned Costs*

The audit did not disclose any material noncompliance findings or questioned costs relative to its federal programs.

**SOUTHWEST LOUISIANA AREA HEALTH  
EDUCATION CENTER FOUNDATION**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2021**

There were no prior year findings.