

**LOUISIANA RURAL AMBULANCE ALLIANCE**

**(A NOT FOR PROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**



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## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Directors  
Louisiana Rural Ambulance Alliance  
Napoleonville, Louisiana

We have reviewed the accompanying financial statements of the Louisiana Rural Ambulance Alliance (a not for profit organization), which comprise the statement of financial position as of December 31, 2019, the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **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.

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### **Report on Supplementary Information**

The accompanying schedule of compensation, benefits and other payments to chief executive officer on page 16 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 supplementary information has been subjected to the review procedures applied in our review of the basis financial statements. We are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information, and, accordingly, do not express an opinion on such information.



**Report on the 2018 Financial Statements**

The December 31, 2018 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated June 19, 2019. We have not performed any auditing procedures since that date.

*Postlethwaite & Netterville*

Donaldsonville, Louisiana  
July 17, 2020

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
**(A NOT FOR PROFIT ORGANIZATION)**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 347,838	\$ 155,747
Accounts receivable	872,752	2,048,135
Due from government agencies	50,105	124,275
Prepaid expenses	40,953	19,444
Investments	617,335	589,801
Buildings and equipment, net	<u>913,013</u>	<u>846,043</u>
 TOTAL ASSETS	 <u>\$ 2,841,996</u>	 <u>\$ 3,783,445</u>
<b><u>LIABILITIES</u></b>		
Accounts payable	\$ 702,978	\$ 1,692,260
<b><u>NET ASSETS</u></b>		
Without donor restrictions	<u>2,139,018</u>	<u>2,091,185</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 2,841,996</u>	 <u>\$ 3,783,445</u>

See accompanying notes and independent accountants' review report.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
**(A NOT FOR PROFIT ORGANIZATION)**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>Without Donor Restrictions</u>	
	<u>2019</u>	<u>2018</u>
<b><u>REVENUES AND OTHER SUPPORT</u></b>		
Public support		
Grants and contracts with government agencies	\$ 394,788	\$ 278,557
Other revenue		
Service fee - Surge contract	872,752	2,048,135
Educational events and training	21,761	36,946
Interest and dividend income	12,746	25,530
Net unrealized gains (losses) on investments	15,152	(62,817)
Gain on sale of investments	45,345	6,473
Deepwater Horizon settlement	-	8,056
Miscellaneous	5,663	8,793
Total revenues and other support	<u>1,368,207</u>	<u>2,349,673</u>
<b><u>EXPENSES</u></b>		
Program services		
Emergency response	729,412	1,750,198
Member services	519,164	342,621
Total program services	<u>1,248,576</u>	<u>2,092,819</u>
Support services		
General and administrative	71,798	58,927
Total support services	<u>71,798</u>	<u>58,927</u>
Total expenses	<u>1,320,374</u>	<u>2,151,746</u>
Change in net assets	47,833	197,927
Net assets at beginning of year	<u>2,091,185</u>	<u>1,893,258</u>
Net assets at end of year	<u>\$ 2,139,018</u>	<u>\$ 2,091,185</u>

See accompanying notes and independent accountants' review report.

**LOUISIANA RURAL AMBULANCE ALLIANCE**

**(A NOT FOR PROFIT ORGANIZATION)**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<b>2019</b>				
	<b>Program Services</b>		<b>Support Services</b>		
	Emergency Response	Member Services	Total	General and Administrative	Total Expenses
Committees and memberships	\$ -	\$ 250	\$ 250	\$ -	\$ 250
Contract services	712,784	366,244	1,079,028	495	1,079,523
Depreciation of buildings and equipment	-	25,629	25,629	24,671	50,300
Insurance	-	-	-	32,937	32,937
Miscellaneous	-	7,956	7,956	-	7,956
Professional services	8,775	29,616	38,391	4,125	42,516
Repairs and maintenance	-	19,224	19,224	1,301	20,525
Service charges	-	-	-	340	340
Supplies	7,853	53,434	61,287	-	61,287
Travel and lodging	-	16,811	16,811	-	16,811
Utilities	-	-	-	7,929	7,929
Total Expenses	<u>\$ 729,412</u>	<u>\$ 519,164</u>	<u>\$ 1,248,576</u>	<u>\$ 71,798</u>	<u>\$ 1,320,374</u>

	<b>2018</b>				
	<b>Program Services</b>		<b>Support Services</b>		
	Emergency Response	Member Services	Total	General and Administrative	Total Expenses
Committees and memberships	\$ -	\$ 1,898	\$ 1,898	\$ -	\$ 1,898
Continuing education	-	420	420	-	420
Contract services	1,719,737	207,303	1,927,040	15,000	1,942,040
Depreciation of buildings and equipment	-	17,889	17,889	7,248	25,137
Insurance	-	-	-	9,362	9,362
Meals and entertainment	-	563	563	-	563
Miscellaneous	-	23,579	23,579	4,371	27,950
Professional services	15,613	33,079	48,692	19,693	68,385
Repairs and maintenance	-	12,275	12,275	-	12,275
Service charges	-	-	-	300	300
Supplies	14,848	37,675	52,523	238	52,761
Travel and lodging	-	7,940	7,940	-	7,940
Utilities	-	-	-	2,715	2,715
Total Expenses	<u>\$ 1,750,198</u>	<u>\$ 342,621</u>	<u>\$ 2,092,819</u>	<u>\$ 58,927</u>	<u>\$ 2,151,746</u>

See accompanying notes and independent accountants' review report.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
**(A NOT FOR PROFIT ORGANIZATION)**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Change in net assets	\$ 47,833	\$ 197,927
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	50,300	25,137
Net investment gains	(45,345)	(6,473)
Unrealized (gain) loss on investments	(15,152)	62,817
(Increase) decrease in accounts receivable and due from governmental agencies	1,249,553	(2,047,192)
Increase in prepaids	(21,509)	(10,238)
Increase (decrease) in accounts payable	(989,282)	1,682,279
Net cash provided by (used in) operating activities	<u>276,398</u>	<u>(95,743)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Purchases of buildings and equipment	(117,270)	(684,820)
Purchases of investments	(12,746)	(25,530)
Proceeds from sales of investments	45,709	639,485
Net cash used in investing activities	<u>(84,307)</u>	<u>(70,865)</u>
Net increase (decrease) in cash and cash equivalents	192,091	(166,608)
Cash and cash equivalents at beginning of year	<u>155,747</u>	<u>322,355</u>
Cash and cash equivalents at end of year	<u>\$ 347,838</u>	<u>\$ 155,747</u>

See accompanying notes and independent accountants' review report.



**LOUISIANA RURAL AMBULANCE ALLIANCE**  
**(A NOT FOR PROFIT ORGANIZATION)**

**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies**

**Nature of Activities**

The Louisiana Rural Ambulance Alliance (the Alliance) is a non-profit organization that formed on September 8, 1995, to promote the ambulance industry in the State of Louisiana. To accomplish this purpose, the Alliance engages in educational and legislative activities on behalf of its members.

**Program Services**

*Emergency Response*

The Alliance provides ambulatory services in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services.

*Member Services*

The Alliance provides education, training, and legislative services to the members of the Louisiana Ambulance Association.

**Support Services**

*General and Administrative*

The support service category includes the functions necessary to secure proper administrative functioning of the Alliance's governing board, maintain an adequate working environment, and manage financial responsibilities of the Alliance.

**Basis of Accounting**

The Alliance prepares its financial statements on the accrual basis of accounting. Accordingly, revenues from grants and contributions from government agencies, service fees, training, investments, and other sources are recognized when earned and expenses are recognized when incurred.

To ensure proper usage of restricted and unrestricted assets, the Alliance maintains its accounts according to accounting principles generally accepted in the United States of America, whereby funds are classified in accordance with specified restrictions or objectives.

**Cash and Cash Equivalents**

The Alliance considers all cash accounts and money markets funds with a maturity of three months or less when purchased to be cash and cash equivalents.

**Accounts Receivable**

Management considers accounts receivable that are more than 180 days old to be uncollectible. No reserve for uncollectible accounts has been established. Management has determined that all receivables as of each year-end are collectible.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies** (continued)

Due from Government Agencies

Due from government agencies consists of unremitted reimbursements of expenses from government agencies that are based upon individual grant requirements. Management has determined that all amounts due from government agencies as of each year-end are collectible.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Investment expenses, such as investment advisory fees, are netted against investment income (loss) in the statements of activities and changes in net assets.

Buildings and Equipment

The Alliance capitalizes buildings and equipment over \$1,500. Lesser amounts are expensed. Buildings and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:

Buildings	30 - 40 years
Other equipment	5 - 10 years

Net Assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions.

The Alliance reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The Alliance did not receive during each of the years ended or have any net assets with donor restrictions at December 31, 2019 or 2018.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies** (continued)

Revenue Recognition

The Alliance has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Alliance's financial reporting.

The Alliance has also adopted ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*, as management believes the standard improves the usefulness and understandability of the Alliance's financial reporting.

Analysis of the provisions of these standards resulted in no significant changes in the way the Alliance recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with this standard.

The majority of the Alliance's revenue is derived from grants and contracts with government agencies and service fees. The grants and contracts are nonexchange transactions that benefit the general public.

The service fee revenue is earned over time based upon contractually determined hourly rates associated with emergency transportation management services and supply of ambulances including ALS, BLS, and fixed wing air. The contract for these services is initiated upon the written notification of a declaration of a state of emergency by the State Health Officer or his designee of the State of Louisiana. On a contingency basis, the Alliance provides support to the Emergency Medical Services – Tactical Operations Center. These services are billed on a monthly basis after the services are provided.

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Alliance did not recognize any contributed services during the years ended December 31, 2019 and 2018, respectively.

Expenses

Expenses are recognized by the Alliance on an accrual basis. Expenses paid in advance and not yet incurred are recorded as prepaid until the applicable period.

Expenses are charged directly to programs in categories based on specific identification. Indirect expenses, if any, are allocated based on amounts approved by the respective contracts.

*Functional Allocation of Expenses*

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. No allocation of general and administrative costs has been made to program services.

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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies** (continued)

**Concentrations of Credit Risk**

At various times throughout the year, the carrying value of the Alliance's deposits were in excess of FDIC insurance. Management has determined that the risk of default is minimal.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Income Taxes**

The Alliance accounts for income taxes in accordance with the income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Alliance is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Alliance has not recorded a provision for income taxes in the accompanying financial statements.

Management has evaluated the Alliance's tax positions and concluded that the Alliance has taken no uncertain tax positions that require adjustment to or disclosure in the financial statements to comply with the provisions of the accounting guidance for income taxes.

**Current Accounting Standard Scheduled to be Implemented**

In February 2016, the FASB issued ASU 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the statement of financial position as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2021. The Alliance is currently assessing the impact of this pronouncement on its financial statements.

2. **Cash and Cash Equivalents**

At December 31, 2019 and 2018 the carrying amounts of the Alliance's deposits were \$347,838 and \$155,747, respectively. These deposits are at cost, which approximates market.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

3. **Buildings and Equipment**

Buildings and equipment at December 31, 2019 and 2018 consist of the following:

	2019	2018
Building	\$ 724,224	\$ 724,224
Construction in progress	88,010	-
Furniture and equipment	1,101,604	1,072,344
	<u>1,913,838</u>	<u>1,796,568</u>
Less: Accumulated depreciation	(1,000,825)	(950,525)
Buildings and equipment, net	<u>\$ 913,013</u>	<u>\$ 846,043</u>

Depreciation expense was \$50,300 and \$25,137 for the years ended December 31, 2019 and 2018, respectively.

4. **Grants and Contracts with Government Agencies**

Grants and contracts with government agencies for the years ended December 31, 2019 and 2018 consist of the following:

	2019	2018
Department of Health and Hospitals – EMS Allocation Fund	\$ 191,855	\$ 188,846
Department of Health and Hospitals – DPS - TRCC	18,410	-
Department of Health and Hospitals – HRSA - ACE	-	74,233
Department of Health and Hospitals – Opioid Response	184,523	15,478
Total	<u>\$ 394,788</u>	<u>\$ 278,557</u>

5. **Service Fee – Surge Contract**

The Alliance has a contract with the State of Louisiana to provide ambulance services as needed in the event of declared emergencies. Included in the ambulance services are staffing and operational support to Bureau of Emergency Medical Services. The Alliance requests reimbursement from the State of Louisiana at the contracted hourly rate for the respective ambulance services. These reimbursements have been reported in the statements of activities and changes in net assets as service fees. The number of hours billed each year can vary greatly depending upon the severity of the declared emergency. As of December 31, 2019 and 2018, \$872,752 and \$2,048,135, respectively, were due to the Alliance under this contract and reported as accounts receivable in the statements of financial position.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

**6. Due from Government Agencies**

The following represents the Alliance's due from government agencies at December 31, 2019 and 2018:

	2019	2018
Department of Health and Hospitals – EMS Allocation Fund	\$ 31,695	\$ 111,724
Department of Health and Hospitals – Opioid Response	-	11,646
Department of Health and Hospitals – DPS - TRCC	18,410	-
Other	-	905
Total	<u>\$ 50,105</u>	<u>\$ 124,275</u>

**7. Investments and Fair Value of Financial Instruments**

In accordance with the Fair Value Measurements and Disclosure topic of the FASB ASC, disclosure of fair value information about financial instruments is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Alliance.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

In accordance with this guidance, the Alliance groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
**(A NOT FOR PROFIT ORGANIZATION)**

**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

7. **Investments and Fair Value of Financial Instruments** (continued)

- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following method and assumption was used by the Alliance in estimating its fair value disclosures for financial instruments:

*Equity and Fixed Income Securities Funds*

Securities are classified within Level 1 where quoted market prices are available in an active market. Inputs include securities that have quoted prices in active markets for identical assets. If quoted market prices are unavailable, fair value is estimated using pricing models or quoted prices of securities with similar characteristics, at which point the securities would be classified within Level 2 of the hierarchy.

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

7. **Investments and Fair Values of Financial Instruments** (continued)

The following table presents for each fair value hierarchy level, the Alliance's financial assets that are measured at fair value on a recurring basis:

	December 31, 2019	December 31, 2018
	<u>Level 1</u>	<u>Level 1</u>
<b>Equity Securities:</b>		
Technology	\$ 27,178	\$ 52,817
Healthcare	20,605	39,086
Communications	12,244	-
Consumer	27,729	50,690
Industrial	14,029	34,142
Infrastructure	20,291	-
Energy	7,927	28,310
Mid Cap	29,459	-
Large Cap	13,207	27,481
Small Blend	13,019	-
Foreign Large Growth	41,787	-
Real Estate	42,496	24,906
Financial Services	19,567	21,572
Utilities	5,548	22,246
Other	8,244	12,553
<b>Fixed Income Securities:</b>		
Short-term Investment Fund	-	50,187
Intermediate Core Bond Fund	282,861	-
Income Fund	-	37,992
Exchange Traded Fund	-	130,831
US Fund World Bond Funds	31,144	35,768
Commodity Index Fund	-	21,220
	<u>\$ 617,335</u>	<u>\$ 589,801</u>



**LOUISIANA RURAL AMBULANCE ALLIANCE**  
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**NOTES TO FINANCIAL STATEMENTS**

See accompanying independent accountants' review report.

**8. Availability and Liquidity Management**

The Alliance maintains a policy of structuring its financial assets to be available as its general expenses, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Alliance has equity investments that are readily available to be sold.

The following table reflects the Alliance's financial assets as of December 31, 2019, and 2018, reduced by amounts that are not available to meet general expenses within one year of the statement of financial position date because of contractual restrictions. Amounts not available include certain investments with redemption limitations. There were no net assets with donor restrictions at December 31, 2019, and 2018.

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 347,838	\$ 155,747
Accounts receivable	872,752	2,048,135
Due from government agencies	50,105	124,275
Investments	<u>617,335</u>	<u>589,801</u>
Financial assets available to meet cash needs for general expenses within one year	<u>\$ 1,888,030</u>	<u>\$ 2,896,738</u>

**9. Related Party Transactions**

The Alliance has contracted with In the Know Publications, LLC to provide comprehensive association management services to the Alliance. In the Know Publications, LLC is owned by the Chief Executive Officer of the Alliance.

Payments were made to In the Know Publications, LLC for contract services and reimbursements of business expenses during the years ended December 31, 2019 and 2018. For the years ended December 31, 2019 and 2018, payments to In the Know Publications, LLC amounted to \$235,673 and \$173,527, respectively.

The Alliance had outstanding balances to the In the Know Publications, LLC at December 31, 2019 and 2018 of \$4,263 and \$0, respectively which are included in accounts payable in the statements of financial position.

**10. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, July 17, 2020. As a result of the spread of the COVID-19 corona virus and major disaster declaration, the Alliance incurred significant expenditures that will be billed to the state under the contract with the State of Louisiana to provide ambulance services as needed in the event of declared emergencies. No events occurring after this date have been evaluated for inclusion in these financial statements.

**SUPPLEMENTARY INFORMATION**

**LOUISIANA RURAL AMBULANCE ALLIANCE**  
**(A NOT FOR PROFIT ORGANIZATION)**  
**SCHEDULE OF COMPENSATION, BENEFITS**  
**AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER**  
**YEAR ENDED DECEMBER 31, 2019**

**Chief Executive Officer: Donna Newchurch Landry**

**Purpose**

**Amounts paid directly to the CEO**

Salary	\$	-
Benefits		-
Contract Services		-
Travel		446
Reimbursements		8,128
	<u>\$</u>	<u>8,574</u>

**Amounts paid to In the Know Publications, LLC, wholly owned by the CEO**

Salary	\$	-
Benefits		-
Contract Services		220,047
Travel		9,860
Reimbursements		5,766
Rent		-
	<u>\$</u>	<u>235,673</u>

**INDEPENDENT ACCOUNTANTS' REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors  
Louisiana Rural Ambulance Alliance  
Napoleonville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Louisiana Rural Ambulance Alliance (a not for profit organization) and the Louisiana Legislative Auditor, on the Alliance's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Alliance is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

**Federal, State, and Local Awards**

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Alliance's management.

*The Alliance provided us with the following list of expenditures made for federal grant awards received that were passed through the state during the fiscal year ended December 31, 2019:*

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Health and Human Services Grant	10/1/2018 – 9/30/2019	93.889	\$ 160,590
Health and Human Services Grant	10/1/2019 – 9/30/2020	93.889	31,695
Rural Communities Opioid Response	9/30/2018 – 9/29/2019	93.211	184,428
EMS Data Implementation Project	10/1/2019 – 9/30/2020	20.616	18,410
<b>Total Expenditures</b>			<b>\$ 395,123</b>

*The Agency represented that they received no direct state or local government grant awards during the fiscal year ended December 31, 2019.*

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

*We selected 6 disbursements from each grant administered during the fiscal year, according to the procedure above.*

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

*Each of the selected disbursements agreed to the amount and payee in the supporting documentation.*

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

*The Alliance only has one fund. All of the disbursements except one were coded to the correct general ledger account. This disbursement (check no. 4840), should have been coded to equipment, but was coded to communication expense.*

5. Report whether the selected disbursements were approved in accordance with the Alliance's policies and procedures.

*Each of the selected disbursements were approved in accordance with the Alliance's policies and procedures.*

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

#### Activities allowed or unallowed

*Each of the selected disbursements were compared to the grant agreement noting program compliance related to activities allowed or unallowed.*

#### Eligibility

*Each of the selected disbursements were compared to the grant agreement noting program compliance related to eligibility.*

#### Reporting

*Each of the selected disbursements were compared to the grant agreement noting program compliance related to reporting.*

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Alliance's financial records; and report whether the amounts in the close-out reports agree with the Alliance's financial records.

*The selected disbursements included one federal grant award that was closed out during the fiscal year. We compared the close-out report for this federal grant award with the Alliance's financial records. The amount reported on the close-out report agreed with the total amount in Alliance's financial records.*

### Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

*The Alliance is only required to post a notice of each meeting and the accompanying agenda on the door of the Alliance's office building. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion other than an unmarked copy of the notices and agenda.*

### Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

*The Alliance must submit an annual budget to each of the grantors in order to receive the grant funds. An annual budget was submitted for each grant as required.*

### State Audit Law

10. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

*The Alliance's report will be submitted to the Legislative Auditor before the 90-day emergency extension due date of September 30, 2020.*

11. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

*The Alliance's management represented that the Alliance did not enter into any contracts during the year that were subject to the public bid law.*

### Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, recommendations, and/or comments have been resolved.

*The prior year management letter and oral comments regarding classification of expenditures and reconciliation of grant revenue and expenditures were repeated in the current year. Management has asserted the Alliance is working on implementing prior year recommendations.*

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in the *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Alliance's compliance with the foregoing matters. 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.



The purpose of this report is solely to describe the scope of testing performed on the Alliance's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, 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 Louisiana Legislative Auditor as a public document.

*Postlethwaite & Netterville*

Donaldsonville, Louisiana  
July 17, 2020

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Agencies)**

6/17/2020 (Date Transmitted)

Postlethwaite + Nettville (CPA Firm Name)  
215 St. Patrick St (CPA Firm Address)  
Donaldsonville, LA 70346 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12/31/2019 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes  No [ ]

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes  No [ ]

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes  No [ ]

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes  No [ ]

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes  No [ ]

**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes  No [ ]

**Reporting**

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes  No [ ]



We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes [  ] No [  ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [  ] No [  ]

**Prior-Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes [  ] No [  ]

**General**

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [  ] No [  ]

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [  ] No [  ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [  ] No [  ]

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [  ] No [  ]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [  ] No [  ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [  ] No [  ]

The previous responses have been made to the best of our belief and knowledge.

Mark Majors	Secretary	<u>6/15/2020</u>	Date
Tracy Wold	Treasurer	<u>6/15/2020</u>	Date
Jeff Watson	President	<u>6/15/2020</u>	Date

Signature:   
Tracy Wold (Jun 15, 2020 13:27 CDT)  
Email: twold@paffordems.com

Signature:   
Mark Majors (Jun 15, 2020 13:35 CDT)  
Email: mmajors@medexpress.net

Signature:   
Jeff Watson (Jun 16, 2020 12:54 CDT)  
Email: jeff.watson@bossierfire.com