

**Central Louisiana Area Health Education Center, Inc.**

**Alexandria, Louisiana**

**Financial Statements**

**June 30, 2025**

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## **Independent Auditors' Report**

Board of Directors  
Central Louisiana Area Health Education Center, Inc.  
Alexandria, Louisiana

### **Report on the Financial Statement**

#### ***Opinion***

We have audited the accompanying financial statements of Central Louisiana Area Health Education Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Central Louisiana Area Health Education Center, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Louisiana Area Health Education Center, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to be evaluated whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Louisiana Area Health Education Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting of error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Central Louisiana Area Health Education Center, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Louisiana Area Health Education Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

***Report on Summarized Comparative Information***

We have previously audited the Central Louisiana Area Health Education Center, Inc.'s 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 4, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Supplementary 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*

January 5, 2026

*Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of compensation, benefits, and other payments to executive director are 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 schedule of expenditures of federal awards and schedule of compensation, benefits and other payments to the executive director are fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026, on our consideration of Central Louisiana Area Health Education Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Central Louisiana Area Health Education Center, Inc., Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Louisiana Area Health Education Center, Inc.'s internal control over financial reporting and compliance.



**KnightMasden**  
Alexandria, Louisiana  
January 5, 2026

Central Louisiana Area Health Education Center, Inc.  
Statement of Financial Position  
June 30, 2025

	<u>2025</u>	2024 Summarized <u>Total</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,038,014	\$ 865,250
Grant receivable	302,758	371,751
Investments	<u>105,294</u>	<u>53,215</u>
Total Current Assets	1,446,066	1,290,216
Plant, Property and Equipment, net	11,099	11,002
Operating lease right of use assets	<u>61,663</u>	<u>56,177</u>
Total Assets	<u>\$ 1,518,828</u>	<u>\$ 1,357,395</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 26,769	\$ 15,750
Payroll liabilities	120,603	111,210
Operating lease liabilities, current portion	<u>32,129</u>	<u>40,734</u>
Total Current Liabilities	179,501	167,694
Operating lease liabilities, net of current portion	<u>29,695</u>	<u>15,655</u>
Total Liabilities	209,196	183,349
Net Assets		
without Donor Restrictions	1,203,520	1,111,700
with Donor Restrictions	<u>106,112</u>	<u>62,346</u>
Total Net Assets	<u>1,309,632</u>	<u>1,174,046</u>
Total Liabilities and Net Assets	<u>\$ 1,518,828</u>	<u>\$ 1,357,395</u>

The accompanying notes are  
an integral part of the financial statements.

Central Louisiana Area Health Education Center, Inc.  
Statement of Activities  
For the Year Ended June 30, 2025

	<u>without Donor Restrictions</u>	<u>2025 with Donor Restrictions</u>	<u>Total</u>	<u>2024 Summarized Total</u>
<b>Revenues</b>				
Grant income	\$ 2,872,541	\$ 186,667	\$ 3,059,208	\$ 3,069,892
Interest income	2,205	-	2,205	3,135
Program service revenue	<u>27,121</u>	<u>-</u>	<u>27,121</u>	<u>28,413</u>
Total Revenues	2,901,867	186,667	3,088,534	3,101,440
 Net Assets released from restrictions	 142,901	 (142,901)	 -	 -
<b>Functional Expenses</b>				
Program services	2,638,447	-	2,638,447	2,616,040
Management and general	<u>314,501</u>	<u>-</u>	<u>314,501</u>	<u>434,882</u>
Total Functional Expenses	<u>2,952,948</u>	<u>-</u>	<u>2,952,948</u>	<u>3,050,922</u>
 Change in Net Assets	 91,820	 43,766	 135,586	 50,518
 Net Assets - Beginning	 <u>1,111,700</u>	 <u>62,346</u>	 <u>1,174,046</u>	 <u>1,123,528</u>
 Net Assets - Ending	 <u>\$ 1,203,520</u>	 <u>\$ 106,112</u>	 <u>\$ 1,309,632</u>	 <u>\$ 1,174,046</u>

The accompanying notes are  
an integral part of the financial statements.

Central Louisiana Area Health Education Center, Inc.  
Statement of Cash Flows  
For the Year Ended June 30, 2025

	<u>2025</u>	2024 <u>Summarized Total</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 135,586	\$ 50,518
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation	3,120	2,115
(Increase)/Decrease in receivables	68,993	50,430
Increase/(Decrease) in accounts payable	11,019	-
Increase/(Decrease) in other liabilities	<u>9,393</u>	<u>(11,221)</u>
Net Cash Provided/(Used) by Operating activities	228,111	91,842
Cash flows from Investing Activities		
Purchase of certificates of deposit	(52,079)	(2,946)
Purchase of fixed assets	<u>(3,268)</u>	<u>-</u>
Net Cash Provided/(Used) by Investing Activities	(55,347)	(2,946)
Net Increase (Decrease) in Cash and Cash equivalents	172,764	88,896
Cash and Cash Equivalents - Beginning	<u>865,250</u>	<u>776,354</u>
Cash and Cash Equivalents - Ending	<u>\$ 1,038,014</u>	<u>\$ 865,250</u>

The accompanying notes are an integral part of the financial statements.

Central Louisiana Area Health Education Center, Inc.  
Statement of Functional Expenses  
For the Year Ended June 30, 2025

	Program <u>Service</u>	Management <u>and General</u>	2025 Total <u>Expenses</u>	2024 Summarized <u>Total</u>
Salaries	\$ 1,532,800	\$ 180,713	\$ 1,713,513	\$ 1,972,846
Payroll taxes & benefits	287,249	38,853	326,102	361,337
Conference, membership & travel	43,355	2,410	45,765	58,831
Insurance	4,561	5,367	9,928	8,400
Legal & professional	80	25,804	25,884	22,480
Promotional & marketing	522,038	-	522,038	265,286
Office	29,308	44,109	73,417	116,279
Program expense	191,852	-	191,852	198,501
Postage & printing	2,588	5,198	7,786	8,645
Telephone & internet	8,848	9,521	18,369	16,881
Other	12,648	2,526	15,174	19,321
Depreciation	3,120	-	3,120	2,115
	<u>\$ 2,638,447</u>	<u>\$ 314,501</u>	<u>\$ 2,952,948</u>	<u>\$ 3,050,922</u>

The accompanying notes are  
an integral part of the financial statements.

Central Louisiana Area Health Education Center, Inc.  
Notes to the Financial Statements  
June 30, 2025

**Note 1 – Nature of Activities and Significant Accounting Policies**

Nature of Activities

Central Louisiana Area Health Education Center, Inc. (CLAHEC) is a non-profit organization incorporated under the laws of the State of Louisiana on January 6, 1992. Its purpose is to operate an area health education center in Central Louisiana in order to plan for additional clinical education opportunities in rural and underserved communities.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of CLAHEC and changes therein are classified and reported as follows:

*Net Assets without Donor Restrictions* – Net assets not subject to donor-imposed stipulations.

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

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 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. Accordingly, actual results could differ from those estimates. Significant estimates have been applied in the determination of depreciation in preparation of the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturities of less than three months.

Revenue Recognition and Promises to Give

Contributions are recognized when the donor makes an unconditional promise to give to the CLAHEC. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Central Louisiana Area Health Education Center, Inc.  
Notes to the Financial Statements  
June 30, 2025

**Note 1 – Nature of Activities and Significant Accounting Policies (Continued)**

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one activity are charged to the programs and supporting services based on the estimated amount of time that employees devote to various activities. Additional overhead is allocated to various activities based on the program's direct cost.

Income Taxes

The CLAHEC is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. Furthermore, CLAHEC is not classified as a "private foundation" by the internal revenue service.

Property and Equipment

Property and equipment are stated at cost. Additions, renewals and betterments that extend the useful life of the assets are capitalized. Maintenance and repair expenditures are expensed as incurred. Provisions for depreciation and amortization are computed using the straight-line method over the assets' useful lives, which range from 3 to 39 years. Capitalization threshold of \$2,000 is used.

Grant Receivable

The CLAHEC determines past-due accounts based on contractual terms of net 30 and does not charge interest on the accounts. The CLAHEC charges off receivables if management considers the collection of the outstanding balance to be doubtful. No allowance is recorded because management believes all accounts to be collectable.

Advertising

Advertising costs are expensed as incurred.

Leases

CLAHEC leases certain office space and equipment. CLAHEC assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Leases with an initial term of over 12 months recognize right-of-use lease assets and lease liabilities on the statement of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term.

Central Louisiana Area Health Education Center, Inc.  
Notes to the Financial Statements  
June 30, 2025

**Note 2 – Fixed Assets and Depreciation**

The following schedule summarizes estimated useful life, cost and accumulated depreciation of property, plant and equipment as of June 30, 2025:

Description	Life	
Equipment	5 - 10 years	\$48,197
Furniture	5 - 10 years	11,372
Less: Accumulated Depreciation		<u>(48,470)</u>
Net Fixed Assets		<u>\$11,099</u>

Depreciation expense for the year ended June 30, 2025 was \$3,120.

**Note 3 – Donated Services**

Unpaid volunteers have made significant contributions of their time to the CLAHEC. The value of the contributed time is not reflected in these statements since it is not susceptible to an objective measurement.

**Note 4 – Retirement Plan**

CLAHEC adopted a SEP-IRA for its employees. The Plan covers all full time employees. CLAHEC contributes 10% of the employee's pay. CLAHEC contributed \$157,995 to this Plan during the year ended June 30, 2025.

**Note 5 – Leases**

As of June 30, 2025, the right-of-use asset had a balance of \$56,177, as shown in noncurrent assets on the statement of financial position; the lease liability included in current liabilities is \$40,734 and long-term liabilities is \$15,655. Any renewal options were not considered when assessing the value of the right-to-use asset because CLAHEC is not reasonably certain that it will exercise its option to renew the lease.

The CLAHEC is obligated to the following leases, none of which qualify for the short-term lease exception and are all classified as operating leases:

- a) Alexandria Office Building – This lease was entered into on January 1, 2020 and is for \$2,550 per month. The lease is for a 36 month period and has two renewal options. CLAHEC renewed the lease for another 36 months on January 1, 2023 with lease payments of \$2,650 per month. Discount rate of 7.5% was used for right-of-use asset and lease liability calculation.
- b) Baton Rouge Office – This lease was entered into on February 1, 2022 and is for \$1,500 per month for the first 12 months with lease payments increasing by 2% each year. The lease is for a 36 month period and has a renewal option. The renewal option was exercised. Discount rate of 7.5% was used for right-of-use asset and lease liability calculation.

Central Louisiana Area Health Education Center, Inc.  
Notes to the Financial Statements  
June 30, 2025

**Note 5 – Leases (Continued)**

The total lease payments included in expenses on the statement of functional expenses for the year ended June 30, 2025 was \$51,192.

Maturities of operating lease liabilities as of June 30, 2025 are:

Years Ended	<u>Amounts</u>
<u>June 30</u>	
2026	\$35,161
2027	19,646
2026	<u>11,593</u>
Total lease payments due	66,400
Less interest	<u>(4,737)</u>
Present value of lease liabilities	<u>\$61,663</u>

**Note 6 – Fair Value Measurement**

FASB ACS 820-10, Fair Value Measurement, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 – Represented by quoted prices that are available in an active market. Level 1 securities include cash, checking, savings and money market accounts, certificates of deposit, highly liquid government bonds, treasury securities, mortgage products and exchange traded equities.
- Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data and estimated using pricing models or discounted cash flows. Level 2 securities would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions, and certain corporate, asset backed securities, and swap agreements.
- Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about the market risk. Level 3 securities would include hedge funds, private equity securities, and private investments in public entities.

Central Louisiana Area Health Education Center, Inc.  
Notes to the Financial Statements  
June 30, 2025

**Note 6 – Fair Value Measurement (continued)**

Fair value of assets measured on a recurring basis at June 30, 2025 are as follows:

<u>Description</u>	<u>Fair Value Measurement at June 30, 2025 Using</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash	\$1,038,014	\$1,038,014	\$ -	\$ -
Certificates of deposit	\$105,294	\$105,294	\$ -	\$ -

**Note 7 – Concentrations of Risk**

CLAHEC receives substantially all of the support necessary to operate its core programs through grants administered by the Louisiana State University and Agricultural and Mechanical College. The grant amounts are appropriated each year by the Federal government and the State of Louisiana. Management is not aware of any actions that would adversely affect the aggregate amount of funds CLAHEC will receive in the next fiscal year.

CLAHEC maintains cash balances with two national banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2025 cash on deposit that was in excess of the federally insured limits was \$610,651.

**Note 8 – Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 1,038,014
Grant receivable	302,758
Certificates of deposit	105,294
Assets needed to meet restrictions	<u>(106,112)</u>
Total assets available to meet cash needs for general expenditures within one year	<u>\$1,339,954</u>

As part of the CLAHEC's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**Note 9 – Donor Restricted Net Assets**

CLAHEC's net assets with donor restrictions at the end of the year totaled \$106,112. These net assets are restricted for the AHEC of a Career program.

Central Louisiana Area Health Education Center, Inc.  
Notes to the Financial Statements  
June 30, 2025

**Note 10 – Conditional Promises to Give**

CLAHEC is the recipient of funds from the Rapides Foundation under a grant agreement for the AHEC of a Career program. Based on the terms of the agreement, these awards are not considered revenue until certain conditions set forth in the terms of the grant agreement are satisfactorily met. Accordingly, the portion of the Rapides Foundation grant not yet awarded is considered to be a conditional promise to give. On June 30, 2025, conditional promises to give from the Rapides Foundation was \$653,340.

**Note 11 – Income Taxes**

As of June 30, 2025, tax years 2022 and subsequent were still within the prescription period for examination by taxing authorities.

**Note 12 – Subsequent Events**

Subsequent to the date of the Statement of Financial Position, on October 1, 2025, the U.S. federal government experienced a shutdown due to a lapse in appropriations. On November 13, 2025 a continuing resolution was passed to temporarily fund the government through January 30, 2026.

The Organization receives significant funding from federal government grants and contracts, which represented approximately 80% of its total revenue for the year ended June 30, 2025. As a result of the government shutdown, the related federal agencies are unable to process new awards, grant approvals, or reimbursements for costs incurred during this period.

The immediate impacts on the Organization include:

- **Delayed Funding:** Reimbursements for program expenses already incurred and currently being incurred are delayed, creating significant cash flow challenges. The Organization is currently utilizing its available cash reserves to cover essential operations, including payroll and vendor obligations.
- **Operational Decisions:** The Organization has suspended or scaled back certain programs funded solely by the affected federal grants to mitigate financial strain.
- **Potential Financial Effect:** As of the date these financial statements were available to be issued, the full financial effect of the shutdown cannot be reasonably estimated, as the duration of the shutdown is uncertain.

Management is actively monitoring the situation, managing cash flow, and communicating with federal agencies and other stakeholders. If the shutdown is protracted, it may have a material adverse impact on the Organization's financial position, results of operations, and the going concern assumption.

Subsequent events have been evaluated through January 5, 2026, which is the date the financial statements were available for issuance.

**Supplementary Schedule**

Central Louisiana Area Health Education Center, Inc.  
Schedule of Compensation, Benefits and Other Payments to Gabrielle Juneau,  
Executive Director  
For the Year Ended June 30, 2025

<u>Purpose</u>	<u>Amount</u>
Salary	\$109,231
Benefits - retirement	10,923
Travel/mileage reimbursements	<u>4,252</u>
	<u>\$124,406</u>

The accompanying notes are  
an integral part of the financial statements.

**Reports on Internal Control, Compliance and Other Matters**



**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***

Board of Directors  
Central Louisiana Area Health Education Center, Inc.  
Pineville, 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 Central Louisiana Area Health Education Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 5, 2026.

**Report on Internal Control over Financial Reporting**

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

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

January 5, 2026

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Central Louisiana Area Health Education Center, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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. Under Louisiana statutes, this report is distributed by the Legislative Auditor as a public document.



**KnightMasden**  
Alexandria, Louisiana  
January 5, 2026



**KnightMadsen**

A Professional Accounting Corporation

John E. Theriot II, CPA, CGMA

Stephanie R. Lemoine, CPA

**Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

Board of Directors  
Central Louisiana Area Health Education Center, Inc.  
Pineville, Louisiana

**Report on Compliance for Each Major Federal Program**

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

We have audited Central Louisiana Area Health Education Center, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Central Louisiana Area Health Education Center, Inc.'s major federal programs for the year ended June 30, 2025. Central Louisiana Area Health Education Center, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Central Louisiana Area Health Education Center, Inc. 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, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provision of contracts or grant agreements applicable to Central Louisiana Area Health Education Center, Inc.'s federal programs.

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### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Central Louisiana Area Health Education Center, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Central Louisiana Area Health Education Center, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Central Louisiana Area Health Education Center, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Central Louisiana Area Health Education Center, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Central Louisiana Area Health Education Center, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

January 5, 2026

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana statutes, this report is distributed by the Legislative Auditor as a public document.

*Knight Masden*

**KnightMasden**  
Alexandria, Louisiana  
January 5, 2026

Central Louisiana Area Health Education Center, Inc.  
Schedule of Expenditures of Federal Awards  
June 30, 2025

<u>Federal Grantor/Pass-through Grantor</u>	<u>Federal CDFA Number</u>	<u>Pass- through Identifying Number</u>	<u>Pass- through to Sub- recipients</u>	<u>Federal Expenditures</u>
U. S. Department of Health and Human Services				
Area Health Education Centers Point of Service				
Maintenance and Enhancement Awards				
Indirect Programs:				
Louisiana State University HSC	93.107			\$ 116,357
Support State, Tribal, Local and Territorial (STLT)				
Health Department Response to Public Health or				
Healthcare Crises				
Indirect Programs:				
Southwest Louisiana Area Health Education Center	93.391			249,083
National and State Tobacco Control Program				
Indirect Programs:				
State of Louisiana Department of Health and Hospitals Office of Public Health	93.387			101,686
The National Cardiovascular Health Program				
Indirect Programs:				
State of Louisiana Department of Health and Hospitals Office of Public Health	93.426			22,034
Well-Integrated Screening and Evaluation for Women Across he Nation (Wisewoman)				
Indirect Programs:				
State of Louisiana Department of Health and Hospitals Office of Public Health	93.436			113,020
State Physical Activity and Nutrition (SPAN)				
Indirect Programs:				
State of Louisiana Department of Health and Hospitals Office of Public Health	93.439			277,381
Cooperative Agreements for Diabetes Control Programs				
Indirect Programs:				
State of Louisiana Department of Health and Hospitals Office of Public Health	93.988			46,513

Central Louisiana Area Health Education Center, Inc.  
Schedule of Expenditures of Federal Awards  
June 30, 2025

Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges		
Indirect Programs:		
Southwest Louisiana Area Health Education Center	93.332	<u>469,036</u>
Total U.S. Department of Health and Human Services		1,395,110
Department of Agriculture Food and Nutrition Services		
Special Supplemental Nutrition Program for Women, Infants and Children		
Indirect Programs:		
State of Louisiana Department of Health and Hospitals Office of Public Health	10.557	<u>1,049,495</u>
Total Expenditures of Federal Awards		<u>\$2,444,605</u>

Central Louisiana Area Health Education Center, Inc.  
Notes to the Schedule of Expenditures of Federal Awards  
June 30, 2025

**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Central Louisiana Area Health Education Center, Inc. (the Organization) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note B – Indirect Cost Rate Election**

The Organization did not elect to use the 15% de minimis indirect cost rate during the year ended June 30, 2025.

**Note C – Reconciliation of Expenses to Federal Expenditures**

Program expenses	\$2,638,448
Non-cash adjustment – depreciation	(3,120)
Non-federal expenditures	<u>(190,723)</u>
Total Federal Expenditures	<u>\$2,444,605</u>

Central Louisiana Area Health Education Center, Inc.  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2025

**A. Summary of Auditors' Results**

***Financial Statements***

- |   |            |
|---|------------|
| 1. Type of auditors' report   | Unmodified |
| 2. Internal control over financial reporting:                           |            |
| a. Material weakness identified?  | No         |
| b. Significant deficiencies identified no considered material weakness? | None noted |
| c. Noncompliance material to the financial statements noted?            | No         |

***Federal Awards***

- |  |            |
|--|------------|
| 1. Type of auditors' report issued on compliance for major programs  | Unmodified |
| 2. Internal control over financial reporting:  |            |
| a. Material weakness identified?   | No         |
| b. Significant deficiencies identified no considered material weakness?  | None noted |
| 3. Any audit findings disclosed that are required to be reported in the accordance with 2CFR section 200.516(a)? | No         |

4. Identification of major programs:

Federal Assistance Listing Number	Federal Program
93.332	Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges
93.439	State and Physical Activity Nutrition (SNAP)
93.991	Preventive Health and Health Services Block Grant

- |  |           |
|--|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs | \$750,000 |
| 6. Auditee qualified as low-risk under 2CFR 200.520                        | Yes       |

Central Louisiana Area Health Education Center, Inc.  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025

**B. Findings – Financial Statement Audit**

INTERNAL CONTROL AND COMPLIANCE FINDING

No findings

**C. Findings and Questioned Costs – Major Federal Award Programs Audit**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Passed through the State of Louisiana

No Findings

Central Louisiana Area Health Education Center, Inc.  
Management's Corrective Action Plan  
For the Year Ended June 30, 2025

No current year findings.

Central Louisiana Area Health Education Center, Inc.  
Summary of Prior Year Audit Findings  
For the Year Ended June 30, 2025

No prior year audit findings.