

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.

MONROE, LOUISIANA

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED

DECEMBER 31, 2020

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
DECEMBER 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ouachita Multi-Purpose Community Action Program, Inc.
Monroe, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Ouachita Multi-Purpose Community Action Program, Inc., and related statement of activities, schedule of functional expenses, and cash flows for the year ended December 31, 2020, 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 opinions 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 misstatement 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Ouachita Multi-Purpose Community Action Program, Inc., as of December 31, 2020, and the respective changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of compensation, benefits and other payments to agency head or chief executive officer are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 June 22, 2021 on our consideration of Ouachita Multi-Purpose Community Action Program, 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 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 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 Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over financial reporting and compliance.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
June 22, 2021

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2020

ASSETS

CURRENT ASSETS

| | | |
|------------------------------|--------------|--|
| Cash | 384,105 | |
| Accounts Receivable - Grants | - | |
| Prepaid Insurance | <u>4,300</u> | |

| | | |
|-----------------------------|--|---------|
| <u>TOTAL CURRENT ASSETS</u> | | 388,405 |
|-----------------------------|--|---------|

FIXED ASSETS AND PROPERTY

| | | |
|---|------------------|--|
| Furniture, Buildings, and Equipment at Cost, Net | 134,072 | |
| Land | <u>(119,447)</u> | |

| | | |
|--|--|---------------|
| <u>TOTAL FIXED ASSETS AND PROPERTY</u> | | <u>14,625</u> |
|--|--|---------------|

| | | |
|---------------------|--|----------------|
| <u>TOTAL ASSETS</u> | | <u>403,030</u> |
|---------------------|--|----------------|

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

| | | |
|------------------|---------------|--|
| Accounts Payable | 2,949 | |
| Accrued Expenses | <u>27,789</u> | |

| | | |
|----------------------------------|--|--------|
| <u>TOTAL CURRENT LIABILITIES</u> | | 30,738 |
|----------------------------------|--|--------|

NET ASSETS

| | | |
|----------------------------|----------|--|
| Without Donor Restrictions | 372,292 | |
| With Donor Restrictions | <u>-</u> | |

| | | |
|-------------------------|--|----------------|
| <u>TOTAL NET ASSETS</u> | | <u>372,292</u> |
|-------------------------|--|----------------|

| | | |
|---|--|----------------|
| <u>TOTAL LIABILITIES AND NET ASSETS</u> | | <u>403,030</u> |
|---|--|----------------|

See Independent Auditors' Report and accompanying notes.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|------------------|
| <u>SUPPORT AND REVENUE</u> | | | |
| Grants - CSBG | 721,621 | - | 721,621 |
| Grants - LIHEAP | 1,694,089 | - | 1,694,089 |
| Miscellaneous Revenue | <u>85,649</u> | <u>-</u> | <u>85,649</u> |
| <u>TOTAL SUPPORT AND REVENUE</u> | <u>2,501,359</u> | <u>-0-</u> | <u>2,501,359</u> |
| <u>EXPENSES</u> | | | |
| Program Services: | | | |
| CSBG | 489,827 | - | 489,827 |
| OCO | 176 | - | 176 |
| Home Energy Assistance (LIHEAP) | <u>1,540,173</u> | <u>-</u> | <u>1,540,173</u> |
| <u>TOTAL PROGRAM SERVICES</u> | <u>2,030,176</u> | <u>-0-</u> | <u>2,030,176</u> |
| <u>SUPPORT SERVICES</u> | | | |
| General and Administrative | <u>445,963</u> | <u>-</u> | <u>445,963</u> |
| <u>TOTAL SUPPORT SERVICES</u> | <u>445,963</u> | <u>-0-</u> | <u>445,963</u> |
| <u>FUND-RAISING</u> | | | |
| | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>TOTAL FUND-RAISING</u> | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| <u>TOTAL EXPENSES</u> | <u>2,476,139</u> | <u>-0-</u> | <u>2,476,139</u> |
| <u>EXCESS (DEFICIT) OF SUPPORT AND REVENUE OVER EXPENSES</u> | 25,220 | - | 25,220 |
| <u>CHANGES IN NET ASSETS</u> | | | |
| None | - | - | - |
| <u>NET ASSETS WITHOUT DONOR RESTRICTIONS - BEGINNING OF YEAR</u> | <u>347,072</u> | <u>-0-</u> | <u>347,072</u> |
| <u>NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR</u> | <u>372,292</u> | <u>-0-</u> | <u>372,292</u> |

See Independent Auditors' Report and accompanying notes.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | |
|---|--------------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES:</u> | |
| Change in Net Assets | 25,220 |
| Adjustments to Reconcile Increase in Net Assets | |
| To Net Cash Provided (Used) by Operating Activities: | |
| Depreciation | 588 |
| Donated Asset | (15,000) |
| (Increase) Decrease in: | |
| Accounts Receivable - Grants | - |
| Prepaid Expenses | 5,040 |
| Increase (Decrease) in Operating Liabilities - | |
| Accounts Payable | 769 |
| Accrued Liabilities | <u>1,639</u> |
| <u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u> | <u>18,256</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES:</u> | |
| Purchase of Fixed Assets | <u>-0-</u> |
| <u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u> | <u>-0-</u> |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES:</u> | |
| None | <u>-</u> |
| <u>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</u> | <u>-0-</u> |
| <u>NET INCREASE IN CASH AND CASH EQUIVALENTS</u> | <u>18,256</u> |
| <u>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</u> | <u>365,849</u> |
| <u>CASH AND CASH EQUIVALENTS - END OF YEAR</u> | <u>384,105</u> |
| <u>SUPPLEMENTAL CASH BASIS DATA</u> | |
| Interest Paid | -0- |
| Income Taxes Paid | -0- |

See Independent Auditors' Report and accompanying notes.

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OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | Home Energy Assistance <u>LIHEAP</u> | <u>OCO</u> | <u>CSBG</u> |
|---|---|------------|----------------|
| Salaries | 16,221 | - | 180,100 |
| Fringe Benefits | 1,141 | - | 66,469 |
| Travel & Training | - | - | - |
| Occupancy | - | - | 15,000 |
| Telephone | - | - | 8,220 |
| Insurance | - | - | 19,114 |
| Supplies & Postage | 84,676 | - | 44,235 |
| Repairs & Maintenance | 3,890 | - | 6,394 |
| Professional Services | - | - | - |
| Miscellaneous | 243 | 176 | 144,804 |
| Client Assistance Payments | <u>1,434,002</u> | <u>-</u> | <u>5,491</u> |
| <u>TOTAL EXPENSES</u> <u>BEFORE DEPRECIATION</u> | 1,540,173 | 176 | 489,827 |
| <u>DEPRECIATION</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>TOTAL EXPENSES</u> | <u>1,540,173</u> | <u>176</u> | <u>489,827</u> |

See Independent Auditors' Report and accompanying notes.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2020

| | <u>Total Program Services</u> | <u>General And Administrative</u> | <u>Total Expenses</u> |
|---|---------------------------------------|---|---------------------------|
| Salaries | 196,321 | 286,890 | 483,211 |
| Fringe Benefits | 67,610 | 83,788 | 151,398 |
| Travel & Training | - | 2,760 | 2,760 |
| Occupancy | 15,000 | 15,000 | 30,000 |
| Telephone | 8,220 | 12,097 | 20,317 |
| Insurance | 19,114 | 4,889 | 24,003 |
| Supplies & Postage | 128,911 | 13,773 | 142,684 |
| Repairs & Maintenance | 10,284 | - | 10,284 |
| Professional Services | - | 22,541 | 22,541 |
| Miscellaneous | 145,223 | 3,637 | 148,860 |
| Client Assistance Payments | <u>1,439,493</u> | <u>-</u> | <u>1,439,493</u> |
| <u>TOTAL EXPENSES</u> <u>BEFORE DEPRECIATION</u> | <u>2,030,176</u> | <u>445,375</u> | <u>2,475,551</u> |
| <u>DEPRECIATION</u> | <u>-</u> | <u>588</u> | <u>588</u> |
| <u>TOTAL EXPENSES</u> | <u>2,030,176</u> | <u>445,963</u> | <u>2,476,139</u> |

See Independent Auditors' Report and accompanying notes.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Nature of Activities

Ouachita Multi-Purpose Community Action Program, Inc. (OMCAP) is a private nonprofit corporation incorporated under the laws of the State of Louisiana. OMCAP is governed by a Board of Directors composed of members from Ouachita Parish. OMCAP operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in Ouachita Parish in Louisiana. The following programs, with their approximate percentage of total revenues indicated, are administered by OMCAP:

Community Services Block Grant (CSBG) (28.85%) - Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor. This grant is accounted for as a contribution and is considered conditional based on the terms of the grant agreement.

Home Energy Assistance Program (67.73%) - Assists low income households to offset the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Housing Corporation. The Home Energy Assistance Program is a major program for the year ended December 31, 2020. This grant is accounted for as a contribution and is considered conditional based on the terms of the grant agreement.

Ouachita Council of Governments (OCOG) (0.00%) - Accounts for quarterly reimbursements received from the Ouachita Council of Governments for general organization operations. This grant is accounted for as an unconditional contribution based on the terms of the grant.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

A. Nature of Activities (Continued)

General Services (3.42%) - Provides payment of necessary organization expenses not specifically attributable to a grant/contract operated by the organization. Funding is provided by various donations.

B. Method of Accounting

The financial statements of OMCAP have been prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

C. Basis of Presentation

The financial statements have been prepared in accordance with U.S generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization 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 the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires,

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

C. Basis of Presentation (Continued)

net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities

D. Income Taxes

OMCAP is a nonprofit corporation and is exempt from state and federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to OMCAP's tax-exempt purpose is subject to taxation as unrelated business income. OMCAP had no such income for this audit period.

E. 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.

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, OMCAP considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

G. Property and Equipment

Acquisitions of buildings, equipment, and improvements and all expenditures for repairs, maintenance, and betterments in excess of \$5,000 that materially prolong the useful lives of assets are capitalized. Capitalized assets are stated at cost or, if donated, at the approximate fair value at the date of donation.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

G. Property and Equipment (Continued)

Depreciation is computed using the straight-line method over the estimated useful life of each asset.

The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds there from is subject to federal regulations. The use of assets purchased with federal funds is limited to the purposes intended by the funding agency.

H. Revenue and Support

Contributions received are recorded as support without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contractual grant revenue is reported as support or revenue without donor restrictions due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned. Revenues are earned when the service is rendered.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

I. Functional Allocation of Expenses

The costs of providing the various programs and 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. Management has determined that fund-raising expenses are not material.

J. Advertising Costs

Advertising costs are expensed as they are incurred. Advertising expenses for the year ended December 31, 2020 are immaterial.

K. Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents and receivables approximates fair value because of the short maturity of these financial instruments.

NOTE 2 - FUNDING POLICIES AND SOURCES OF FUNDS:

The Organization receives its monies through various methods of funding. Most of the funds are received on a grant basis. Under this method funds are received as needed or on a monthly or quarterly allocation of the total budget (grant) in advance of the actual expenditure. The Organization also receives funds as a reimbursement of actual expenditures, and upon a per unit of service provided method. The Organization also receives funds by contributions from both public and private sources. The loss of any of the large sources could have a negative effect on the Organization.

The accounting and reporting of grants is determined by the underlying substance of the transaction. A grant may be accounted for as contribution, an exchange transaction, or a combination of the two. If it is determined to be a contribution, a grant may be considered a conditional or an unconditional grant.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 3 - CASH IN BANK:

All funds are in institutions insured by an agency of the federal government. The Organization has pledged securities to cover any uninsured cash balances.

NOTE 4 - CONCENTRATIONS OF CREDIT RISK:

Concentrations of credit risk with respect to grant receivables were limited due to the balance being comprised of amounts due from governmental agencies under contractual terms. As of December 31, 2020, OMCAP had no significant concentrations of credit risk in relation to grant receivables.

NOTE 5 - GRANT RECEIVABLES:

Accounts Receivable - Grants at December 31, 2020 consists of reimbursements for expenses incurred under the various grant programs. The following list presents Accounts Receivable - Grants by fund at December 31, 2020.

| | <u>12/31/2020</u> |
|--------------|-------------------|
| LIHEAP | -0- |
| CSBG | <u>-0-</u> |
| <u>Total</u> | <u>-0-</u> |

Management has determined that the allowance for bad debts is not material. Receivables are written off when management deems them not collectible.

NOTE 6 - BOARD OF DIRECTORS' COMPENSATION:

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2020

NOTE 7 - DONATED SERVICES - VOLUNTEERS:

No amounts have been reported in the financial statements for donated services or volunteers because no objective basis is available to measure the value of such services. Board members receive no compensation for services provided.

NOTE 8 - PROPERTY AND EQUIPMENT:

Details of property and equipment are as follows:

| | Beginning Balance <u>1/01/2020</u> | <u>Additions</u> | <u>Deletions</u> | Ending Balance <u>12/31/2020</u> |
|--------------------------|--|------------------|------------------|--|
| Furniture & Equipment | 119,072 | 15,000 | - | 134,072 |
| Accumulated Depreciation | (118,859) | (588) | - | (119,447) |
| Net Property & Equipment | <u>213</u> | <u>14,412</u> | <u>-0-</u> | <u>14,625</u> |

Property and equipment consisted of the following at December 31, 2020:

| | Estimated Depreciable Life | Purchased With Federal Funds | Purchased With Non- Federal Funds | <u>Total</u> |
|--|----------------------------------|------------------------------------|---|---------------|
| Furniture & Equipment | 3 - 7 Years | 17,097 | 116,975 | 134,072 |
| Accumulated Depreciation | | (17,097) | (102,350) | (119,447) |
| Net Investment In Property & Equipment | | <u>-0-</u> | <u>14,625</u> | <u>14,625</u> |

Depreciation expense for the year ended December 31, 2020 was \$588. The straight-line method of depreciation is used to record depreciation.

NOTE 9 - RETIREMENT PLAN:

OMCAP participates in a simplified employee pension whereby an amount equal to 7% of the salary of eligible employees is contributed to the plan. The amount contributed by OMCAP for the year ended December 31, 2020 was \$31,283.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 10 - LEASES:

The Organization leases an administrative building under an operating lease. The rental cost for the year ended December 31, 2020 was \$30,000. There were no commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year as of December 31, 2020. The current lease is currently operating on a month to month basis.

NOTE 11 - ACCRUED EXPENSES:

Accrued expenses consisted of the following at December 31, 2020:

| | |
|-----------------------|---------------|
| Accrued Leave | 26,124 |
| Payroll Taxes Payable | <u>1,665</u> |
| <u>Total</u> | <u>27,789</u> |

NOTE 12 - RELATED PARTY:

There were no related party transactions during the period ending December 31, 2020.

NOTE 13 - NONCOMPLIANCE FINDINGS AND QUESTIONED COSTS:

The Organization receives funding/grants from various government agencies and such funding is subject to certain requirements and conditions. The items listed in the schedule of findings and questioned costs will be reviewed by the appropriate funding agency and a final resolution of the questioned costs will be made by such agency.

NOTE 14 - SUBSEQUENT EVENTS:

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through June 22, 2021, the date the report was

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 14 - SUBSEQUENT EVENTS: (Continued)

available for issue, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements, except as previously disclosed.

NOTE 15 - IMPAIRMENT OF LONG-LIVED ASSETS:

In accordance with the accounting guidance for the impairment or disposal of long-lived assets, the Organization reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized to date.

NOTE 16 - UNCERTAIN TAX POSITIONS:

The non-profit corporation is subject to examination by various taxing authorities, including federal income tax examinations. Management has reviewed the Organization's activities and believes that no additional amounts or disclosures are needed, as the effect of any uncertain tax positions is not material to the financial statements. The tax returns for the years 2020, 2019, 2018, and 2017 are open for examination by various taxing authorities.

NOTE 17 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Organization's financial assets as of the balance sheet date of December 31, 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2020

NOTE 17 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS: (Continued)

| | |
|--|--------------------|
| Financial Assets at December 31, 2020 | 384,105 |
| Less those unavailable for general expenditure within one year, due to: | |
| Donor-Restricted | <u> -</u> |
| Financial assets availability to meet cash needs for general expenditure, within one year | <u>384,105</u> |

In addition to financial assets available to meet general expenditures over the year, OMCAP anticipates covering its general expenditures using the income generated from contractual agreements with governmental agencies.

SUPPLEMENTARY FINANCIAL INFORMATION

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO
 AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
 FOR THE PERIODS ENDED DURING FISCAL YEAR DECEMBER 31, 2020

AGENCY HEAD NAME/TITLE: KEMA DAWSON, EXECUTIVE DIRECTOR

| <u>Purpose</u> | <u>Amount</u> |
|--|---------------|
| Salary | 61,261 |
| Benefits-insurance | -0- |
| Benefits-retirement | 4,288 |
| Benefits-other (describe) Cell Phone | -0- |
| Benefits-other (describe) | -0- |
| Benefits-other (describe) | -0- |
| Car allowance | -0- |
| Vehicle provided by government (enter amount reported on W-2) | -0- |
| Per diem | -0- |
| Reimbursements | -0- |
| Travel | 561 |
| Registration Fees | -0- |
| Conference travel | -0- |
| Housing | -0- |
| Unvouchered expenses (example: travel advances, etc.) | -0- |
| Special meals | -0- |
| Other | -0- |

See Independent Auditors' Report and accompanying notes.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
 MONROE, LOUISIANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| <u>FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE</u> | <u>FEDERAL CFDA NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NUMBER</u> | <u>EXPENDITURES</u> |
|--|--------------------------------|--|---------------------|
| <u>U.S. Department of Health and Human Services</u> | | | |
| 477 Cluster | | | |
| Passed Through Louisiana Workforce Commission | | | |
| Community Services Block Grant | 93.569 | 2020N0027 | <u>721,621</u> |
| <u>Total 477 Cluster</u> | | | <u>721,621</u> |
| Passed Through Louisiana Housing Finance Agency | | | |
| *Low-Income Home Energy Assistance Program | 93.568 | None | <u>1,694,089</u> |
| <u>Total U.S. Department of Health and Human Services</u> | | | <u>1,694,089</u> |
| <u>TOTAL FEDERAL EXPENDITURES</u> | | | <u>2,415,710</u> |

* Major Program

See accompanying notes to Schedule of Expenditures of Federal Awards.

See Independent Auditors' Report and accompanying notes.

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OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE A-BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Ouachita Multi-Purpose Community Action Program, Inc., and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Ouachita Multi-Purpose Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Ouachita Multi-Purpose Community Action Program, Inc.

NOTE B-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Ouachita Multi-Purpose Community Action Program, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C-SUBRECIPIENTS

Ouachita Multi-Purpose Community Action Program, Inc. did not provide federal awards to subrecipients.

See Independent Auditors' Report and accompanying notes.

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COMPLIANCE REPORTS

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

VIOLET M. ROUSSEL, CPA, APC
JAY CUTHBERT, CPA, APAC
DAWN WHITSTINE, CPA, APC

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

To the Board of Directors
Ouachita Multi-Purpose Community Action Program, Inc.
Monroe, 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 Ouachita Multi-Purpose Community Action Program, Inc. (a nonprofit organization) as of and for the year ended December 31, 2020, and the related notes to the financial statements, and have issued our report thereon dated June 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ouachita Multi-Purpose Community Action Program, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ouachita Multi-Purpose Community Action Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Ouachita Multi-Purpose Community Action Program, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given those limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ouachita Multi-Purpose Community Action Program, 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 determination of financial statement amounts. 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 non-compliance 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
June 22, 2021

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.

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- Bookkeeping & Payroll Services

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

To the Board of Directors
Ouachita Multi-Purpose Community Action Program, Inc.
Monroe, Louisiana

Report of Compliance for Each Major Federal Program

We have audited Ouachita Multi-Purpose Community Action Program, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Ouachita Multi-Purpose Community Action Program, Inc.'s major federal programs for the year ended December 31, 2020. Ouachita Multi-Purpose Community Action Program, Inc.'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Ouachita Multi-Purpose Community Action Program, Inc.'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 Ouachita Multi-Purpose Community Action Program, Inc.'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 Ouachita Multi-Purpose Community Action Program, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Ouachita Multi-Purpose Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

Internal Control over Compliance

Management of Ouachita Multi-Purpose Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements referred to above. In planning and performing our audit of compliance, we considered Ouachita Multi-Purpose Community Action Program, Inc.'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 Ouachita Multi-Purpose Community Action Program, Inc.'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.

Johnson Perry Roussel & Cuthbert, LLP

JOHNSON, PERRY, ROUSSEL & CUTHBERT, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
June 22, 2021

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION I - SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the financial statements of OMCAP, Inc. were prepared in accordance with GAAP.
2. No material weaknesses were identified during the audit of the financial statements.
3. There were no instances of noncompliance material to the financial statements of OMCAP, Inc.
4. No material weaknesses were identified during the audit of the major federal award program.
5. The auditors' report on compliance for the major federal award program for OMCAP, Inc. expresses an unmodified opinion.
6. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs were: Department of Health and Human Services - Low-Income Home Energy Assistance Program CFDA No. 93.568.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. OMCAP, Inc. was not determined to be a low-risk auditee.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no financial statement findings or questioned costs for the year ended December 31, 2020.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings or questioned costs for the year ended December 31, 2020.

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.

P.O. BOX 3086
MONROE, LOUISIANA 71210

CORRECTIVE ACTION PLAN - CURRENT YEAR

Not Applicable

OUACHITA MULTI-PURPOSE COMMUNITY ACTION PROGRAM, INC.

P.O. BOX 3086
MONROE, LOUISIANA 71210

CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS

SECTION I - Internal Control

2019-001

Finding: The Organization has not filed an IRS Form 5500 for several years.

Status: Cleared

SECTION II - Compliance

There were no compliance findings for the year ended December 31, 2019.