

CMAP EXPRESS
ALEXANDRIA, LOUISIANA
DECEMBER 31, 2018

CMAP EXPRESS
ALEXANDRIA, LOUISIANA

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AUDITED FINANCIAL STATEMENTS

HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

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May 30, 2019

The Board of Trustees
CMAP Express
Alexandria, Louisiana

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of CMAP Express, which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CMAP Express as of December 31, 2018, and the change 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.

Emphasis-of-Matter

As discussed in Note 2 to the financial statements, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2016-14, “*Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities.*” The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. CMAP Express adopted ASU 2016-14 for the year ended December 31, 2018. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 11 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to 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 May 30, 2019 on our consideration of CMAP Express’ 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 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 CMAP Express’ internal control over financial reporting and compliance.

Heard, McElroy & Vestal, LLC

Shreveport, Louisiana

CMAP EXPRESS

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2018

<u>A S S E T S</u>	<u>2018</u>
<u>Assets:</u>	
Cash and cash equivalents	189,527
Grants receivable	8,750
Accounts receivable	66,864
Prepaid expenses	9,926
Property and equipment, net	<u>4,488</u>
Total assets	<u>279,555</u>
 <u>LIABILITIES AND NET ASSETS</u>	
<u>Liabilities:</u>	
Accounts payable	5,806
Due to The Rapides Foundation	<u>9,421</u>
Total liabilities	15,227
 <u>Net assets:</u>	
Without donor restrictions	130,203
With donor restrictions	<u>134,125</u>
Total net assets	<u>264,328</u>
Total liabilities and net assets	<u>279,555</u>

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

CMAP EXPRESS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Revenues, gains, and other support:</u>			
Contributions (net of amounts returned to grantor of \$381,282)	496,726	248,492	745,218
Other income	<u>393,142</u>	<u>26,325</u>	<u>419,467</u>
Total revenues, gains, and other support	889,868	274,817	1,164,685
Net assets released from restrictions	<u>562,066</u>	<u>(562,066)</u>	<u>-</u>
Total revenues, gains, and other support after reclassifications	1,451,934	(287,249)	1,164,685
<u>Expenses:</u>			
Medication access	755,086	-	755,086
Cancer screening	169,793	-	169,793
Healthy lifestyles	392,269	-	392,269
Administration	<u>54,033</u>	<u>-</u>	<u>54,033</u>
Total expenses	<u>1,371,181</u>	<u>-</u>	<u>1,371,181</u>
<u>Change in net assets</u>	80,753	(287,249)	(206,496)
<u>Net assets, beginning of year</u>	<u>49,450</u>	<u>421,374</u>	<u>470,824</u>
<u>Net assets, end of year</u>	<u>130,203</u>	<u>134,125</u>	<u>264,328</u>

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

CMAP EXPRESS

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Medication Access</u>	<u>Cancer Screening</u>	<u>Healthy Lifestyles</u>	<u>Administration</u>	<u>Total</u>
Salaries and wages	384,036	83,775	263,793	28,142	759,746
Retirement	36,923	7,160	25,447	2,605	72,135
Other employee benefits	41,337	10,659	27,755	2,058	81,809
Payroll taxes	28,986	6,282	19,892	1,973	57,133
Fees for services	-	-	-	9,900	9,900
Advertising and promotion	7,725	19,283	1,603	-	28,611
Office expenses	31,012	5,498	9,460	1,168	47,138
Information technology	10,948	837	2,353	-	14,138
Occupancy	10,994	2,713	4,491	4,050	22,248
Travel	11,449	6,211	21,929	-	39,589
Conferences, conventions and meetings	1,956	750	1,297	-	4,003
Depreciation	-	-	-	3,754	3,754
Insurance	8,491	279	7,792	87	16,649
Contract services	152,455	11,295	-	-	163,750
Program supplies	27,499	15,051	5,546	-	48,096
Memberships and dues	1,275	-	911	179	2,365
Other	-	-	-	117	117
Total expenses	<u>755,086</u>	<u>169,793</u>	<u>392,269</u>	<u>54,033</u>	<u>1,371,181</u>

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

CMAP EXPRESS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>
<u>Cash flows from operating activities:</u>	
Change in net assets	(206,496)
Adjustments to reconcile change in net assets to net cash (used) by operating activities:	
Depreciation	3,754
Changes in operating assets and liabilities:	
Grants receivable	4,500
Accounts receivable	(16,406)
Prepaid expenses	(227)
Accounts payable	(4,285)
Due to/from The Rapides Foundation	<u>9,351</u>
Net cash (used) by operating activities	(209,809)
<u>Cash flows from investing activities:</u>	
Purchases of property and equipment	<u>(3,332)</u>
Net cash (used) by investing activities	<u>(3,332)</u>
<u>Net (decrease) in cash and cash equivalents</u>	(213,141)
<u>Cash and cash equivalents at beginning of the year</u>	<u>402,668</u>
<u>Cash and cash equivalents at end of the year</u>	<u>189,527</u>

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

CMAP EXPRESS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. Nature of Business

On October 4, 2005, CMAP Express (the "Organization"), a Louisiana nonprofit corporation, was organized to carry on charitable and educational programs or activities that support or benefit The Rapides Foundation, a Louisiana nonprofit corporation. Its mission is to help provide necessary chronic care prescription medications to those who are unable to pay for them; to support, promote, and provide programs related to medication and healthcare improvement; and to educate the public concerning health related issues. It furthers its mission using the following programmatic areas:

Medication Access – help medical patients who are unable to afford medications to receive free or reduced-price medications through a bulk donation central fill pharmacy or manufacturers' patient assistance programs.

Cancer Screening – provide healthcare access to cancer tests to uninsured patients unable to afford these screenings.

Healthy Lifestyles – provide demonstration and education on proper nutrition and physical activity to central Louisiana residents.

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, maintenance, and related facilities expenses, which are allocated on a square-footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort.

2. Summary of Significant Accounting Policies

- a. The financial statements of the Organization are prepared on the accrual basis, under which revenues are recorded when earned, and expenses are recorded when the liability is incurred.

The Organization is required to report information regarding its financial position and activities based on the absence or existence of donor or grantor imposed restrictions as follows:

Net assets without donor restrictions – Net assets that are not subject to donor or grantor restrictions. Some net assets without donor restrictions may be designated by the Board for specific purposes.

Net assets with donor restrictions – Net assets subject to donor or grantor restrictions that may or will be met by actions of the Organization, and/or by the passage of time.

- b. Contributions received are recorded as support with or without donor restrictions depending on the existence and/or nature of those restrictions.
- c. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

2. Summary of Significant Accounting Policies (Continued)

- d. 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. Actual results could differ from those estimates.
- e. For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents.
- f. The Organization is a nonprofit organization and exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the financial statements, but the Organization is required to file an annual information tax return. The Organization is also required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it is a tax exempt entity. The Organization must also consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. In addition, as a tax exempt entity, the Organization must assess whether it has any tax positions associated with unrelated business income subject to income tax. The Organization does not expect its positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the Organization's accounting records.

The Organization files U. S. federal Form 990 for informational purposes. The Organization's federal income tax returns are subject to examination by the Internal Revenue Service, generally for a period of three years.

- g. Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method. Equipment and furniture are depreciated over an estimated useful life of three to ten years. The Organization capitalizes and depreciates fixed asset acquisitions of \$1,000 or more.
- h. The Rapides Foundation pays employees of CMAP Express then charges CMAP Express accordingly. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.
- i. Recent new accounting pronouncements are discussed in the following paragraph:

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*," which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. This standard is effective for fiscal years beginning after December 31, 2018. The standard permits the use of either the retrospective or cumulative effect transition method. The Organization does not believe that ASU 2014-09 will have a significant effect on its financial statements and related disclosures.

2. **Summary of Significant Accounting Policies** (Continued)

j. Accounting changes are discussed in the following paragraph:

In August 2016, the FASB issued ASU No. 2016-14, "*Presentation of Financial Statements of Not-for-Profit Entities*," with the stated purpose of improving financial reporting by those entities. Among other provisions, this ASU reduces the number of classes of net assets from three to two, requires the presentation of expenses in both natural and functional classifications, and requires additional disclosures concerning liquidity and the availability of financial resources. This standard is effective for fiscal years beginning after December 15, 2017, and requires the use of the retrospective transition method. The Organization adopted this standard for the year ended December 31, 2018 and its implementation is reflected in the financial statements.

3. **Net Assets with Donor Restrictions**

As of December 31, 2018, net assets with donor restrictions consisted of funds received for the following programs:

Subject to expenditure for specified purpose:

Healthy Lifestyles	18,542
Smoking Cessation	33,262
Cancer Screening	<u>82,321</u>
Total net assets with donor restrictions	<u>134,125</u>

4. **Concentration of Credit Risk**

At times throughout the year, the Organization may maintain certain bank accounts in excess of federally insured limits. The risk is mitigated by maintaining deposits in only well capitalized financial institutions.

5. **Property and Equipment**

A summary of property and equipment follows:

Furniture and equipment	72,200
<u>Less-accumulated depreciation</u>	<u>(67,712)</u>
	<u>4,488</u>

Depreciation expense was \$3,754 for the year ended December 31, 2018.

6. **Related Party**

The Rapides Foundation is the sole member of CMAP Express and appoints the Board of Trustees. Related party balances with The Rapides Foundation consist of the following at December 31, 2018:

Grants receivable	<u>8,750</u>
Grants	<u>718,718</u>

In addition, CMAP Express provides pharmacy-related services to H. P. Long Urgent Care, which is a division of Rapides Healthcare System, L.L.C. The Rapides Foundation owns 26% of Rapides Healthcare. CMAP recognized approximately \$393,000 in revenue during 2018 from the provision of these services.

Amounts listed as "Due to The Rapides Foundation" consist primarily of payroll and rent. The Rapides Foundation pays employees of CMAP Express then charges CMAP Express accordingly.

7. **Liquidity and Availability**

Financial assets, consisting of cash and receivables, that are available for general expenditure, that is, without donor or other restrictions limiting their use, amounted to \$131,016 at December 31, 2018. Management has a goal to maintain sufficient financial resources on hand to meet sixty days of normal operating expenses.

8. **Employee Benefit Plan**

The Organization's eligible employees participate in The Rapides Foundation's tax deferred annuity plan (Internal Revenue Code Section 403(b)) that covers all employees working over 1,000 hours per year. Retirement costs are allocated between administrative and program expenses, which are accrued and funded on a current basis. The plan does not provide for any prior service cost. Retirement contributions were \$72,135 for the year ended December 31, 2018.

9. **Contingencies**

CMA Express receives revenues from various third party payors for grant programs which are subject to final review and approval as to allow ability of expenditures by the respective grantors. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the grantor and CMA Express. It is management's opinion that any reviews by the grantor agencies would not produce adjustments to program costs that would materially affect the CMA Express's financial position.

10. **Subsequent Events**

In accordance with FASB Accounting Standards Codification Topic 740 "*Subsequent Events*," the Organization evaluated events and transactions that occurred after the balance sheet date but before the financial statements were made available for potential recognition or disclosure in the financial statements. The Organization evaluated such events through May 30, 2019, the date which the financial statements were available to be issued, and noted no subsequent events.

SUPPLEMENTARY INFORMATION

CMAP EXPRESS
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2018

Agency Head: Wendy Roy

Salary	104,992
Benefits-insurance-health	3,887
Benefits-retirement	10,499
Benefits-life insurance	385
Cell phone	1,440
Travel	277
Conference travel and registration	1,484

OTHER REPORTS

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May 30, 2019

The Board of Trustees
CMAP Express
Alexandria, Louisiana

**Independent Auditor's 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**

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 CMAP Express, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise CMAP Express' basic financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CMAP Express' internal control over financial reporting (internal control) to determine 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 CMAP Express' internal control. Accordingly, we do not express an opinion of the effectiveness of CMAP Express' internal control.

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

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether CMAP Express' 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 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 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.

Heard, McElroy & Vestal, LLC

Shreveport, Louisiana

CMAP EXPRESS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2018

We have audited the financial statements of CMAP Express as of and for the year ended December 31, 2018, and have issued our report thereon dated May 30, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2018 resulted in an unmodified opinion.

Section I – Summary of Auditor’s Reports

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

Internal Control – No material weaknesses or significant deficiencies were noted; no management letter was issued.

Compliance – No material noncompliance was noted.

b. Federal Awards – Not applicable.

Section II – Financial Statement Findings

No matters were reported.

CMAP EXPRESS
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

There were no findings for the year ended December 31, 2017.