

CADENCE OF ACADIANA, INC.

FINANCIAL REPORT

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cadence of Acadiana, Inc.
Lafayette, Louisiana

We have audited the accompanying financial statements of Cadence of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 opinion.

Opinion

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of revenues and expenses and the schedule of compensation, benefits and other payments to agency head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Prior Period Financial Statements

The financial statements of Cadence of Acadiana, Inc. as of June 30, 2020, were audited by other auditors whose report dated November 2, 2020, expressed an unmodified opinion on those statements.

A handwritten signature in black ink that reads "Broussard Poché, LLP". The signature is written in a cursive, slightly slanted style.

Lafayette, Louisiana
March 29, 2022

FINANCIAL STATEMENTS

CADENCE OF ACADIANA, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

ASSETS	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,311,177	\$ 1,682,097
Accounts receivable	328,012	392,566
Prepaid expenses	36,672	50,943
Other receivable	<u>61,422</u>	<u>82,886</u>
Total current assets	<u>\$ 2,737,283</u>	<u>\$ 2,208,492</u>
PROPERTY AND EQUIPMENT		
Buildings	\$ 32,970	\$ 32,970
Furniture and fixtures	332,127	332,127
Equipment	134,143	107,457
Leasehold improvements	85,688	85,688
Less: accumulated depreciation	<u>(305,697)</u>	<u>(267,111)</u>
Net property and equipment	<u>\$ 279,231</u>	<u>\$ 291,131</u>
OTHER ASSETS		
Other receivable – long-term portion	\$ 225,212	\$ -
Deposits	<u>3,925</u>	<u>3,925</u>
Total other assets	<u>\$ 229,137</u>	<u>\$ 3,925</u>
Total assets	<u>\$ 3,245,651</u>	<u>\$ 2,503,548</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 12,019	\$ 17,958
Accrued payroll and related liabilities	127,682	131,459
Deferred revenue	<u>20,126</u>	<u>-</u>
Total current liabilities	<u>\$ 159,827</u>	<u>\$ 149,417</u>
LONG TERM LIABILITIES		
Accrued compensated absences	<u>61,800</u>	<u>61,432</u>
Total liabilities	<u>\$ 221,627</u>	<u>\$ 210,849</u>
NET ASSETS		
Without donor restrictions	<u>\$ 3,024,024</u>	<u>\$ 2,292,699</u>
Total liabilities and net assets	<u>\$ 3,245,651</u>	<u>\$ 2,503,548</u>

See Notes to Financial Statements.

CADENCE OF ACADIANA, INC.

STATEMENTS OF ACTIVITIES
Years Ended June 30, 2021 and 2020

	<u>Without Donor Restrictions</u>	
	<u>2021</u>	<u>2020</u>
REVENUES AND OTHER SUPPORT		
Rehabilitation service contracts	\$ 3,789,614	\$ 3,750,271
Property management fees	-	434,235
Miscellaneous income	188,081	952
Provider Relief Funds	<u>61,326</u>	<u>-</u>
Total revenue and other support support	<u>\$ 4,039,021</u>	<u>\$ 4,185,458</u>
EXPENSES		
Program services:		
Case management	\$ 2,922,879	\$ 3,127,189
Property management	<u>-</u>	<u>421,354</u>
Total program services	\$ 2,922,879	\$ 3,548,543
Supporting services:		
General and administrative	<u>384,817</u>	<u>343,953</u>
Total expenses	<u>\$ 3,307,696</u>	<u>\$ 3,892,496</u>
Change in net assets	\$ 731,325	\$ 292,962
Net assets at the beginning of the year	<u>2,292,699</u>	<u>1,999,737</u>
Net assets at the end of the year	<u>\$ 3,024,024</u>	<u>\$ 2,292,699</u>

See Notes to Financial Statements.

CADENCE OF ACADIANA, INC.

STATEMENT OF FUNCTIONAL EXPENSES
Years Ended June 30, 2021

	<u>Program Services</u> Case Management	<u>Supporting Services</u> General and Administrative	<u>Total Program and Support Services</u>
PAYROLL AND RELATED EXPENSES			
Salaries	\$ 2,084,868	\$ 258,010	\$ 2,342,878
Employee benefits -			
Payroll taxes	163,872	16,246	180,118
Group insurance	<u>205,645</u>	<u>11,939</u>	<u>217,584</u>
Total payroll and related expenses	<u>\$ 2,454,385</u>	<u>\$ 286,195</u>	<u>\$ 2,740,580</u>
OTHER EXPENSES			
Computer expense	\$ 22,452	\$ 10,696	\$ 33,148
Consultant fees	-	-	-
Dues, subscriptions and licenses	6,609	3,090	9,699
Education and professional development	1,442	7,208	8,650
Insurance	55,876	7,480	63,356
Janitorial expense	19,200	-	19,200
Medical expenses	2,494	-	2,494
Office expense/supplies	133,374	2,602	135,976
Professional fees	-	63,610	63,610
Rent expense	109,219	-	109,219
Repairs and maintenance	14,764	2,126	16,890
Telephone	34,208	1,760	35,968
Travel	13,470	50	13,520
Utilities	<u>16,800</u>	<u>-</u>	<u>16,800</u>
Total other expenses	<u>\$ 429,908</u>	<u>\$ 98,622</u>	<u>\$ 528,530</u>
Total expenses before depreciation	<u>\$ 2,884,293</u>	<u>\$ 384,817</u>	<u>\$ 3,269,110</u>
Depreciation	<u>38,586</u>	<u>-</u>	<u>38,586</u>
Total expenses	<u>\$ 2,922,879</u>	<u>\$ 384,817</u>	<u>\$ 3,307,696</u>

CADENCE OF ACADIANA, INC.

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020

	<u>Program Services</u>		<u>Total Program Services</u>	<u>Support Services</u>	<u>Total Program and Administrative Services</u>
	<u>Case Management</u>	<u>Property Management</u>		<u>General and Administrative</u>	
PAYROLL AND RELATED EXPENSES					
Salaries	\$ 2,185,428	\$ 70,013	\$ 2,255,441	\$ 191,636	\$ 2,447,077
Employee benefits -					
Payroll taxes	174,328	7,289	181,617	12,590	194,207
Group insurance	251,999	10,709	262,708	17,402	280,110
Total payroll and related expenses	<u>\$ 2,611,755</u>	<u>\$ 88,011</u>	<u>\$ 2,699,766</u>	<u>\$ 221,628</u>	<u>\$ 2,921,394</u>
OTHER EXPENSES					
Computer expense	\$ 7,338	\$ 141	\$ 7,479	\$ -	\$ 7,479
Consultant fees	290	-	290	1,500	1,790
Dues, subscriptions and licenses	6,089	-	6,089	967	7,056
Education and professional development	-	1,470	1,470	7,359	8,829
Insurance	50,535	1,246	51,781	8,265	60,046
Janitorial expense	19,200	-	19,200	-	19,200
Medical expenses	2,606	544	3,150	29	3,179
Office expense/supplies	124,489	2,449	126,938	6,561	133,499
Professional fees	-	323,920	323,920	90,368	414,288
Rent expense	109,635	356	109,991	-	109,991
Repairs and maintenance	16,799	-	16,799	-	16,799
Telephone	30,700	-	30,700	2,925	33,625
Travel	95,036	3,217	98,253	4,351	102,604
Utilities	16,800	-	16,800	-	16,800
Total other expenses	<u>\$ 479,517</u>	<u>\$ 333,343</u>	<u>\$ 812,860</u>	<u>\$ 122,325</u>	<u>\$ 935,185</u>
Total expenses before depreciation	\$ 3,091,272	\$ 421,354	\$ 3,512,626	\$ 343,953	\$ 3,856,579
Depreciation	<u>35,917</u>	<u>-</u>	<u>35,917</u>	<u>-</u>	<u>35,917</u>
Total expenses	<u>\$ 3,127,189</u>	<u>\$ 421,354</u>	<u>\$ 3,548,543</u>	<u>\$ 343,953</u>	<u>\$ 3,892,496</u>

CADENCE OF ACADIANA, INC.

STATEMENTS OF CASH FLOW
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 731,325	\$ 292,962
Adjustments to reconcile change in net assets to operating activities:		
Depreciation	38,586	35,917
(Increase) decrease in assets -		
Accounts receivable	64,554	132,216
Other receivable	(203,748)	41,469
Prepaid expenses	14,271	(9,305)
Increase (decrease) in liabilities -		
Accounts payable	(5,939)	11,482
Accrued payroll and liabilities	(3,777)	(47,263)
Deferred revenue	20,126	-
Accrued compensated absences	368	(19,209)
Due to others	-	(161,694)
Net cash provided by operating activities	<u>\$ 655,766</u>	<u>\$ 276,575</u>
 INVESTING ACTIVITIES		
Purchase of fixed assets	<u>\$ (26,686)</u>	<u>\$ -</u>
Net increase in cash	\$ 629,080	\$ 276,575
Cash at the beginning of the year	<u>1,682,097</u>	<u>1,405,522</u>
Cash at the end of the year	<u>\$ 2,311,177</u>	<u>\$ 1,682,097</u>

CADENCE OF ACADIANA, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Nature of operations: -

Cadence of Acadiana, Inc. is a non-profit organization that provides case management services to infants and toddlers, mentally retarded/developmentally disabled waiver participants; adult disabled and elderly waiver participants and the HIV population throughout South Louisiana. The organization also provides professional vocational rehabilitation counseling and related services for injured employees who have outstanding workers' compensation claims. The Organization provides services through the Louisiana Department of Health and Hospitals and currently services three regions (Baton Rouge, Thibodeaux, and Lafayette) consisting of 21 parishes in the State of Louisiana. These services are funded by various insurance companies. Effective May 1, 2020, Cadence of Acadiana, Inc. was no longer providing property management services.

Significant Accounting Policies:

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

Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations and not subject to donor or grantor restrictions.

Net assets with donor restrictions – Net assets with donor restrictions are resources that are subject to donor-imposed or grantor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. Cadence of Acadiana, Inc. did not have any donor restricted net assets as of June 30, 2021 and 2020.

Revenue and revenue recognition -

The Organization provides case management services through the Louisiana Department of Health and Hospitals. The services are provided under costs reimbursable contracts and various insurance companies. As services are provided, the insurance is billed and revenue is recognized at a point in time. The basis for payment to the Organization under the insurance agreements includes predetermined rates. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Revenue with and without donor restrictions -

Contributions that are restricted by the donor are reported contributions with donor restrictions that increase that net asset class. When donor restrictions expire, 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. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the State of Activities as net assets released from restriction.

NOTES TO FINANCIAL STATEMENTS

Donated services -

The organization recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchases if not provided by donation.

Contributions -

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (that is, when a stipulation time restrictions 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. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Donor-restricted funds –

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support that increases this net asset class. However, if a restriction is fulfilled in the same reporting period in which the contribution is received, the entity reports the support as unrestricted.

Use of estimates -

The preparation of financial statements in conformity with generally accepted accounting principles of the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets 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.

Income taxes -

Cadence of Acadiana, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. However, should the Organization engage in activities unrelated to its exempt purpose, taxable income could result. The Organization did not have any material unrelated business income for the fiscal years under audit. In addition, Cadence of Acadiana, Inc. has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

The Organization has not adopted any uncertain tax positions with respect to those amounts reported in its fiscal years ended June 30, 2021 and 2020 financial statements.

Cash and cash equivalents -

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

NOTES TO FINANCIAL STATEMENTS

Accounts receivable and allowance for doubtful accounts -

The organization considers accounts receivable to be fully collectible since the balance consists primarily of payments due under governmental contracts. The receivable balance under contracts as of December 31, 2021, 2020, and 2019 are \$328,012, 392,566, and 524,782, respectively. If amounts due become uncollectible, they will be charged to operations. Management has determined that a provision for uncollectible amounts is not required as of June 30, 2021 and 2020.

Property and equipment -

Property and equipment are valued at historical cost for assets purchased and at fair market value at the date of donation for contributed assets. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as unrestricted unless the donor has restricted the donated assets for a specific purpose. The organization has a policy of capitalizing all acquisitions in excess of \$1,500.

Depreciation is computed using the straight-line method at rates based on the following useful lives:

	<u>Years</u>
Buildings	10
Furniture and fixtures	7
Equipment	5-15
Leasehold improvements	20

Total depreciation expense for the years ended June 30, 2021 and 2020 was \$38,586 and \$35,917, respectively.

Concentration of credit risk -

The Organization places its cash with high quality financial institutions. However, at times, such amounts may be in excess of the Federal Deposit Insurance Corporation (FDIC) limits. As of the end of the year, the Organization did not anticipate any losses as it relates to these concentrations. The majority of the Organization's accounts receivable are comprised of amounts due from various state agencies. A majority of the revenues are comprised of state funded programs. A change in this funding could substantially affect operations.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. The Statements of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Organization.

Liquidity -

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

NOTES TO FINANCIAL STATEMENTS

Vacation and sick leave -

Vacation is earned after one year of employment and is calculated based on each employee's anniversary year. Any unused vacation as of an employee's anniversary date is forfeited. Upon separation, employees will be compensated for any unused vacation generated in the current year. Accordingly, an accrual has been recorded for current accumulated vacation as of June 30, 2021 and 2020, respectively.

Sick leave with pay is earned at a rate of 40 hours per calendar year, commencing 90 days after employment. Sick leave may be accumulated only for use in an extended illness. No sick leave or extended illness leave is payable to an employee upon separation.

Advertising -

Advertising costs are charged to operations when incurred. The Organization did not have any advertising expenses for the years ended June 30, 2021 and 2020.

Note 2. Other Receivable

On March 20, 2021 Goodwill Industries of Acadiana, Inc. signed an written agreement to pay the Organization a total of \$301,989 in 59 monthly installments of \$5,118. First payment was due on April 1, 2021. There is no interest accrued or to be paid on the principal payment.

The aggregate maturities of principal payments due on this agreement by fiscal year are as follows:

2022	\$61,422
2023	61,422
2024	61,422
2025	61,422
2026	<u>40,946</u>
	<u>\$ 286,634</u>

Note 3. CARES Act Provider Relief Funds

The Provider Relief Funds support American families, workers, and the heroic healthcare providers in the battle against COVID-19 outbreak. The Department of Health & Human Services distributed funds to hospitals and healthcare providers on the front lines of the coronavirus response. Retention of these funds are subject to certain terms and conditions. The funds received are only to be used to prevent, prepare for, and respond to the coronavirus, and reimburse the Organization only for health care related expenses or lost revenues that are attributable to coronavirus. If these terms and conditions are met, payments will not need to be repaid at a later date. During the fiscal year ended, the Organization received \$81,452 in Provider Relief Funds.

As of June 30, 2021, \$61,326 in eligible expenses was incurred under the provisions of the funding and was recognized as revenue in the fiscal year. The remaining balance of \$20,126 is recognized as deferred revenue in the statement of financial position.

Note 4. Operating Leases

On January 1, 2019, the Organization entered into an operating lease for office space. The lease is for a period of 36 months with a monthly payment of \$4,550. On December 8, 2021, an addendum was signed extending the term of the lease by 4 months. Under the addendum, the monthly payments will be \$11,442 and include office

NOTES TO FINANCIAL STATEMENTS

space, utilities, and janitorial services. The addendum guarantees payment of the full rent for the full 4 month period regardless of whether the Organization occupies the premise for the entire term.

On November 13, 2020, the Organization entered into an operating lease for office space. The lease is for a period of 12 months with a monthly payment of \$1,495.

On April 1, 2020, the Organization entered into an operating lease for office space. The lease is for a period of 24 months with a monthly payment of \$2,800.

Future minimum operating lease commitments are as follows:

<u>Year Ended June 30,</u> 2022	<u>\$ 107,994</u>
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Rent expenses under these leases totaled \$106,140 and \$64,400 for the years ended June 30, 2021 and 2020, respectively.

Note 5. Availability and Liquidity of Resources

The following represents the Organization's financial assets available for general expenditures that is, without donor or other restrictions limiting their use as of June 30, 2021 and 2020:

	2021	2020
Cash	\$ 2,311,177	\$ 1,682,097
Receivables, current portion	328,012	392,566
Other receivables, current portion	61,422	82,886
Total financial assets available to meet general expenditures within one year	\$ 2,700,611	\$ 2,157,549

Note 6. Line of Credit

As of June 30, 2020 the Organization has an available line of credit with a bank with a maximum limit of \$100,000 secured by accounts receivable. The interest rate is variable and determined by the Wall Street Journal Prime Rate plus one percent, currently 5.00 percent per annum. There was no balance outstanding as of June 30, 2020. The line of credit was not renewed in 2021.

Note 7. Net Assets with Restrictions and Designations

The Organization's board of directors has chosen to place the following limitations on net assets without donor restrictions:

	2021	2020
Designated for subsequent years' activities	\$ -	\$ 1,132,469
Undesignated	3,024,024	1,160,230
Total net assets without donor restrictions	\$ 3,024,024	\$ 2,292,699

NOTES TO FINANCIAL STATEMENTS

Note 8. Employee Benefit Plan

The Organization has a 403(b) plan in effect that covers all full-time employees. Employees may contribute to the plan up to the maximum amount allowed by the Internal Revenue Code.

Note 9. Reclassifications

Certain reclassifications have been made in the financial statements at June 30, 2020, in order to be consistent with reporting in the current year. These reclassifications had no effect on previously reported net assets or changes in net assets.

Note 10. Coronavirus Pandemic

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus includes restrictions on travel, on quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical areas in which the Organization operates. It is unknown how long these conditions will last and what the complete financial effect will be on the Organization. Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

Note 11. Subsequent Events

Management has evaluated subsequent events through March 29, 2022, the date at which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

CADENCE OF ACADIANA, INC.

SCHEDULES OF REVENUES AND EXPENSES

Years Ended June 30, 2021 and 2020

	2021							Total Program and support Activities
	Program Activities				Support Activities			
	Case Management			Total Case Management	Property Management	Total Program Activities	Administrative	
Region 2	Region 3	Region 4						
REVENUES	\$ 415,207	\$ 733,146	\$ 2,641,261	\$ 3,789,614	\$ -	\$ 3,789,614	\$ 249,407	\$ 4,039,021
EXPENSES	<u>319,955</u>	<u>502,154</u>	<u>2,062,184</u>	<u>2,884,293</u>	<u>-</u>	<u>2,884,293</u>	<u>384,817</u>	<u>3,269,110</u>
Income (loss) before depreciation	95,252	230,992	579,077	905,321	-	905,321	(135,410)	769,911
DEPRECIATION	<u>-</u>	<u>7,045</u>	<u>31,541</u>	<u>38,586</u>	<u>-</u>	<u>38,586</u>	<u>-</u>	<u>38,586</u>
NET INCOME (LOSS)	<u>\$ 95,252</u>	<u>\$ 223,947</u>	<u>\$ 547,536</u>	<u>\$ 866,735</u>	<u>\$ -</u>	<u>\$ 866,735</u>	<u>\$ (135,410)</u>	<u>\$ 731,325</u>

	2020							Total Program and support Activities
	Program Activities				Support Activities			
	Case Management			Total Case Management	Property Management	Total Program Activities	Administrative	
Region 2	Region 3	Region 4						
REVENUES	\$ 407,341	\$ 661,676	\$ 2,681,254	\$ 3,750,271	\$ 434,235	\$ 4,184,506	\$ 952	\$ 4,185,458
EXPENSES	<u>369,348</u>	<u>580,671</u>	<u>2,141,253</u>	<u>3,091,272</u>	<u>421,354</u>	<u>3,512,626</u>	<u>343,953</u>	<u>3,856,579</u>
Income (loss) before depreciation	37,993	81,005	540,001	658,999	12,881	671,880	(343,001)	328,879
DEPRECIATION	<u>-</u>	<u>5,840</u>	<u>30,077</u>	<u>35,917</u>	<u>-</u>	<u>35,917</u>	<u>-</u>	<u>35,917</u>
NET INCOME (LOSS)	<u>\$ 37,993</u>	<u>\$ 75,165</u>	<u>\$ 509,924</u>	<u>\$ 623,082</u>	<u>\$ 12,881</u>	<u>\$ 635,963</u>	<u>\$ (343,001)</u>	<u>\$ 292,962</u>

CADENCE OF ACADIANA, INC.

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PLYMENTS TO AGENCY HEAD
Year Ended June 30, 2021

Agency Head: Erica Buchanan, Executive Director

Purpose

Salary	\$ 126,374
Benefits: Insurance	7,823
Car Allowance	6,000
Cell Phone	1,344
Dues	4,679
Travel	1,590
Conference travel	<u>2,968</u>
	<u>\$ 150,778</u>

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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
Cadence of Acadiana, Inc.
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cadence of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for years then ended, and the related notes to the financial statements, and have issued our report thereon dated March 29, 2022. The financial statements of Cadence of Acadiana, Inc. as of June 30, 2020, were audited by other auditors whose report was dated November 2, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cadence of Acadiana 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 Cadence of Acadiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Cadence of Acadiana, 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 deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cadence of Acadiana, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item #2021-1.

Cadence of Acadiana, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Cadence of Acadiana, Inc's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Cadence of Acadiana, Inc's response was not subject to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



Lafayette, Louisiana
March 29, 2022

CADENCE OF ACADIANA, INC.

SCHEDULE OF FINDINGS AND RESPONSES

Year Ended June 30, 2021

We have audited the financial statements of Cadence of Acadiana, Inc. as of and for the year ended June 30, 2021, and have issued our report thereon dated March 29, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2021 resulted in an unmodified opinion.

Section I - Summary of Auditors' Reports

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

Internal Control

Material weaknesses Yes No

Control deficiencies identified that are not considered to be material weaknesses Yes None Reported

Compliance

Compliance material to financial statements Yes No

Section II - Financial Statement Findings

#2021-1 Louisiana Audit Law

Condition: The audit of Cadence of Acadiana, Inc. as of and for the year ended June 30, 2021 was required to be filed with the Legislative Auditor's Office within six months of the fiscal year end as required by state law and was not filed within the time period.

Criteria: The audit of Cadence of Acadiana, Inc. was required by state law to be filed with the Legislative Auditor's Office within six months of the fiscal year end.

Cause: The Organization did not provide the information the accountants requested in a timely manner.

Effect: The report was not filed in accordance with the Louisiana Audit Act.

Recommendation: In the future, the Organization should be aware of the deadline and make reasonable efforts to provide requested information in a timely manner.

Response: Cadence of Acadiana, Inc. has been timely on its audit filings in the past. The previous year's report, documents and information was held by a previous contractor who presented a delay as we worked through the requests for this audit. We made every effort to obtain all information during the transition and separation from the former accounting agent. We additionally had a tremendous amount of disruption caused by the ongoing pandemic. We have now brought all fiscal management internally with dedicated staff and have implemented systems that will be more accessible if we were prevented again from being in our offices.

CADENCE OF ACADIANA, INC.

SCHEDULE OF PRIOR FINDINGS

Year Ended June 30, 2021

Section I. Internal Control and Compliance Material to the Financial Statements

None reported.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.