ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL
OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

SEPTEMBER 30, 2019

BATON ROUGE, LOUISIANA

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Independent Auditor's Report

To the Board of Directors
St. Vincent de Paul Baton Rouge Council
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
St. Vincent de Paul Properties
The Society of St. Vincent de Paul Foundation
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of St. Vincent de Paul Baton Rouge Council, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organizations referenced above as of September 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Schedule of Expenditures of Federal Awards is required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. In addition, the accompanying Consolidating Statement of Financial Position, Consolidating Statement of Activities, and Schedule of Compensation, Benefits and Other Payments to the President and CEO is presented for the purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 February 24, 2020, on our consideration of the Organizations' 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 the Organizations' 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 the Organizations' internal control over financial reporting and compliance.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 24, 2020

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
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ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2019

ASSETS

Current Assets:	
Cash and Cash Equivalents	$ 2,038,695
Investments	3,569,800
Grants Receivable	283,404
Other Receivable	17,631
Accrued Interest	1,642
Prepaid Expenses	41,272
Inventory	213,724
Total Current Assets	6,166,168
Property, Plant and Equipment, Net of Accumulated Depreciation	5,908,988
Investment in GCHP-One Stop, L.L.C.	243,555
Other Assets	17,415
Total Assets	$ 12,336,126

LIABILITIES AND NET ASSETS

Current Liabilities:	
Current Portion of Long-Term Debt	$ 25,904
Accounts Payable	150,559
Accrued Liabilities	137,676
Total Current Liabilities	314,139
Net Assets:	
Without Donor Restrictions	11,431,177
With Donor Restrictions:	
Restricted for Purpose	517,984
Restricted in Perpetuity	72,826
Total Net Assets	12,021,987
Total Liabilities and Net Assets	$ 12,336,126

The accompanying notes are an integral part of this statement.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
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THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenue:			
Public Support:			
Contributions	$ 1,177,685	$ 634,066	$ 1,811,751
Conference Income	731,467	-	731,467
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	3,045,447	-	3,045,447
Total Public Support	4,954,599	634,066	5,588,665
Revenue:			
Grant Income	-	1,575,441	1,575,441
Sale of Merchandise	1,386,247	-	1,386,247
Miscellaneous Income	117,927	-	117,927
Net Gain on Investments	13,138	-	13,138
Gain on Disposition of Assets	19,007	-	19,007
Interest Income	74,987	284	75,271
Total Revenue	1,611,306	1,575,725	3,187,031
Total Public Support and Revenue	6,565,905	2,209,791	8,775,696
Net Assets Released from Restrictions:			
Satisfaction of Restrictions	2,083,209	(2,083,209)	-
Total Public Support, Revenue, and Net Assets Released from Restrictions	8,649,114	126,582	8,775,696
Expenses:			
Program Services	7,663,624	-	7,663,624
Fund Raising	239,914	-	239,914
Management and General	375,483	-	375,483
Total Expenses	8,279,021	-	8,279,021
Change in Net Assets	370,093	126,582	496,675
Net Assets at Beginning of Year	11,061,084	464,228	11,525,312
Net Assets at End of Year	$ 11,431,177	$ 590,810	$ 12,021,987

The accompanying notes are an integral part of this statement.

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CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Program Services									Supporting Services			
	Store	Dining Room	Shelter	Particular Council	Properties	Council	Foundation	Pharmacy	Total Program	Fund Raising	Management and General	Total Support	Total Program and Support
Salaries and Employee Benefits	$ 541,285	$ 256,573	$ 796,823	$ 53,900	$ -	$ -	$ -	$ 147,635	$1,796,216	$122,602	$ 196,316	$318,918	$ 2,115,134
Payroll Taxes	44.319	19,874	61,591	8,200	-	-	-	11,162	145.146	7,550	13.379	20.929	166,075
Advertising	108,040	939	5,936	-	-	-	-	112	115,027	27.642	2,379	30,021	145.048
Auto	44,279	5.340	6,037	-	-	-	-	-	55,656	-	1,698	1,698	57.354
Assistance to Needy and Disaster Relief	3,038	8.545	92,496	-	-	-	-	-	104,079	11.393	22,786	34,179	138.258
Assistance to Needy by Conferences	-	-	-	-	-	745,615	-	-	745,615	-	-	-	745,615
Dues & Publications	1,413	3.608	5,193	-	-	-	-	-	10.214	4.811	9,622	14,433	24.647
Employee Benefits	15,750	9.996	24,521	-	-	-	-	9.687	59,954	5.298	8,567	13,865	73.819
Food Supply Expense	-	404,174	297,445	-	-	-	-	-	701,619	-	-	-	701,619
Insurance	82,739	48.369	109,757	26,000	-	-	-	16,721	283.586	14,586	6,288	20,874	304,460
Legal and Professional	25,797	5,835	21,381	2,300	2,825	-	4,050	2,300	64,488	3,202	23.507	26.709	91,197
Miscellaneous	36.222	31,615	15,206	-	-	-	-	-	83.043	180	5.545	5.725	88,768
Events	814	2,293	3,256	-	-	-	-	-	6,363	5.430	6,512	11,942	18.305
Printing	452	1,357	1,853	-	-	-	-	-	3,662	13,325	3.618	16.943	20,605
Pharmacist Hours (Donated)	-	-	-	-	-	-	-	22,097	22,097	-	-	-	22,097
Pharmaceuticals (Donated)	-	-	-	-	-	-	-	911.999	911,999	-	-	-	911.999
Pharmaceuticals Purchased	-	-	-	-	-	-	-	56,338	56.338	-	-	-	56,338
Repairs and Maintenance	79,481	30,301	69,532	-	-	-	-	6,833	186,147	1,219	17.867	19.086	205,233
Rent Expense	156,583	-	5,148	6,000	-	-	-	-	167.731	-	-	-	167.731
Store & Uniform Expense	1,554.259	-	-	-	-	-	-	-	1.554,259	-	-	-	1,554,259
Supplies	23.684	36,123	61,763	-	-	-	-	6,832	128,402	8,228	14.338	22.566	150,968
Postage	1,364	3.740	9,589	-	-	-	-	269	14.962	8,135	9,972	18,107	33,069
Telephone	35,625	2,923	9,513	-	-	-	-	2,415	50,476	3,896	1.144	5.040	55,516
Travel and Conventions	152	456	1,850	-	-	-	-	-	2.458	608	1.216	1.824	4,282
Utilities	42,696	21.088	68,301	-	-	-	-	18.809	150,894	1.809	4,608	6,417	157.311
Subtotal	2,797,992	893.149	1,667,191	96,400	2,825	745.615	4,050	1,213,209	7,420.431	239,914	349,362	589,276	8.009,707
Depreciation	53.978	33,799	154,261	-	-	-	-	1,155	243.193	-	26.121	26.121	269,314
Total	$2,851,970	$ 926.948	$ 1,821,452	$ 96,400	$ 2,825	$745.615	$ 4,050	$1,214,364	$7,663.624	$239,914	$ 375,483	$615,397	$ 8.279,021

The accompanying notes are an integral part of this statement.

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Cash Flows From Operating Activities:	
Change in Net Assets	$ 496,675
Adjustments to Reconcile Change in	
Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	269,314
Gain on Disposition of Assets	(19,007)
Net (Gains) Losses on Investments	(13,138)
Changes in Assets and Liabilities:	
(Increase) Decrease in Grants Receivable	(152,103)
(Increase) Decrease in Other Receivables	12,797
(Increase) Decrease in Accrued Interest	(121)
(Increase) Decrease in Prepaid Expenses	4,458
(Increase) Decrease in Inventory	(14,493)
(Increase) Decrease in Other Assets	(8,815)
Increase (Decrease) in Accrued Liabilities	19,402
Increase (Decrease) in Accounts Payable	99,886
Cash Provided by Operating Activities	694,855
Cash Flows From Investing Activities:	
Investment in GCHP-One Stop, L.L.C.	(39,136)
Net Purchases of Investments	(80,358)
Purchases of Building and Equipment	(673,253)
Proceeds from the Sale/Disposition of Assets	20,117
Net Cash Used in Investing Activities	(772,630)
Cash Flows From Financing Activities:	
Repayments of Debt	(49,725)
Net Cash Used in Financing Activities	(49,725)
Net Decrease in Cash and Cash Equivalents	(127,500)
Cash and Cash Equivalents - Beginning of Year	2,166,195
Cash and Cash Equivalents - End of Year	$ 2,038,695
Supplemental Disclosure of Cash Flow Information:	
Cash Payments for:	
Interest	$ 1,876

The accompanying notes are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies -

These consolidated financial statements include the activity of St. Vincent de Paul Baton Rouge Council and its wholly-owned subsidiaries, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and its subsidiary, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties, and The Society of St. Vincent de Paul Foundation (collectively, the "Organizations"). All significant intercompany balances and transactions have been eliminated in consolidation.

Nature of Activities

The Society of St. Vincent de Paul Baton Rouge Council ("Council") is a nonprofit corporation organized under the laws of the State of Louisiana for the following purpose: (a) foster, encourage and carry out the works of charity in the spirit of the Society of St. Vincent de Paul, a lay organization of the Catholic Church; (b) unite all St. Vincent de Paul Conferences in the Diocese of Baton Rouge, Louisiana; (c) ensure that all Baton Rouge St. Vincent de Paul Conferences conduct their affairs according to the Rule set forth in the manual of the Society of St. Vincent de Paul in the United States. The members of the Council are the presidents of those Baton Rouge SVDP Conferences that are aggregated and in good standing with the Council. The Organization is exempt from income taxes under 501(c)(3) of the Internal Revenue Code.

The Particular Council of St. Vincent de Paul of Baton Rouge ("Particular Council") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of operating special works as the Society of St. Vincent de Paul, a lay organization of the Catholic Church; operating salvage stores; providing a feeding facility for the needy; providing four shelters and one day center for the homeless; a transitional apartment complex for homeless women; and employment, rehabilitation and opportunities for personal growth to disadvantaged individuals. The sole member of the Particular Council is the St. Vincent de Paul Baton Rouge Council. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

St. Vincent de Paul Community Pharmacy, Inc. ("Pharmacy") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of providing a pharmacy for disadvantaged individuals. The Pharmacy operates as a special work of the Society of St. Vincent de Paul, a lay organization of the Catholic Church. The sole member of the Pharmacy is the Particular Council of St. Vincent de Paul Baton Rouge, Louisiana. The Organization is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code.

St. Vincent de Paul Properties ("Properties") is a nonprofit Organization organized and operated for the exclusive purpose of holding title of property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, a lay organization of the Catholic Church. The sole member of Properties is St. Vincent DePaul Baton Rouge Council. The Organization is exempt from income taxes under 501(c)(3) of the Internal Revenue Code.

The Society of St. Vincent de Paul Foundation ("Foundation") is a nonprofit corporation organized under the laws of the State of Louisiana to be operated exclusively for the benefit of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, a lay organization of the Catholic Church. The Foundation's primary role is to raise financial resources for the Particular Council. The sole member of the Foundation is St. Vincent de Paul Baton Rouge Council. The Organization is exempt under Section 501(c)(3) of the Internal Revenue Code.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organizations may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. There were no unrecognized tax benefits identified or recorded as liabilities for the year ended September 30, 2019.

The Organizations file income tax returns in the U.S. federal tax jurisdiction. With few exceptions, the Organizations are no longer subject to federal income tax examinations by tax authorities for years before 2015. Any interest and penalties assessed by income taxing authorities are not significant and are included in general and administrative expenses in these financial statements.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Organizations are required to report information regarding their financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Net assets with donor restrictions can be restricted for purpose, restricted for time, or restricted in perpetuity. These net assets classifications are described as follows:

Net Assets Without Donor Restrictions - not subject to donor-imposed restrictions. Net assets may be designated for specific purposes by action of the Board of Directors.

Net Assets With Donor Restrictions - subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resource be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Net assets restricted in perpetuity include endowment funds on these financials.

Contributions

All contributions are considered available for use without donor restrictions 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, either for time or purpose or in perpetuity, that increases net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends, or purpose of restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated Statement of Activities as net assets released from restrictions.

It is the Organizations' policy to report contributions of long-lived assets without donor restrictions on the use of the long-lived assets as revenue without donor restriction. Contributions of cash or other assets restricted to acquisition or construction of long-lived assets are recorded as contributions with donor imposed restrictions for purpose. Once the long-lived assets are acquired or placed into service and if there are no donor restrictions on the long-lived asset's use, the donor restrictions are considered met and are released and reclassified to the net assets without donor-imposed restrictions.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Donated Assets, Goods and Services

Land, buildings and equipment received as donations are recognized in the accompanying consolidated financial statements at their estimated fair market value at the date they are received.

The value of donated items received for resale in the salvage store is recognized in the accompanying consolidated financial statements at their estimated fair value only to the extent that the items were resold. Any items not resold are not recorded as donations in the consolidated financial statements because there is no objective basis available to value such items.

The Organizations recognize contribution revenue for certain services received at the fair value of those services provided those services create or enhance nonfinancial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended September 30, 2019, donated services of the pharmacist and accounting services were recorded as the services were performed. The value of other contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. Nevertheless, a number of volunteers donate a significant amount of time in the operations of the stores and dining hall.

The value of donated food received at the dining hall is recognized in the accompanying consolidated financial statements based on the number of meals served. Donated pharmaceuticals are reflected as contributions at the time used.

St. Vincent de Paul donates space to two dentists to provide dental services for shelter residents. The dentists provide all of their own supplies. St. Vincent de Paul also donates space to Thirst for Justice. The Organizations do not record donated revenue for these services because they merely provide the space.

Estimates

The preparation of consolidated 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.

Cash and Cash Equivalents

For purposes of the consolidated Statement of Cash Flows, the Organizations consider all highly liquid investments without donor restrictions with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the Consolidated Statement of Activities. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities accounts will occur in the near term and that such changes could materially affect the amounts reported in the Consolidated Statement of Activities.

Inventory

Inventory is valued at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory is primarily purchased uniforms.

Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets, which range from 5 to 39 years, using the straight-line and various accelerated methods.

Contributed Facilities

The Organizations operate, without charge, certain premises upon which their salvage store and shelters are located. The estimated fair rental value of the premises is reported as support and expense in the year in which the premises are used.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Consolidated Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimation of the time spent on each program. All expenses of the Particular Council have been allocated based on time spent on each program or supporting service. Expenses for other entities within the Organization are recorded directly in the program service or supporting service classification in which they were incurred.

Recent Accounting Pronouncements

During the year ended September 30, 2019, the Organizations implemented Accounting Standards Update (ASU) 2016-14, *Financial Statements of Not-for-Profit Entities*. Accordingly, the beginning balances of net assets that were previously presented as unrestricted have been presented as net assets without donor restrictions and net assets that were previously presented as temporarily and permanently restricted have been presented as net assets with donor restrictions in these financial statements. The ASU also requires additional disclosures regarding liquidity and availability of certain financial assets which is discussed at Note 2 in these financial statements. The ASU also requires additional disclosures regarding endowment funds that may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). Any underwater endowments are disclosed in Note 6 in these financial statements. This ASU also requires that investment return be presented on a net basis, with all external and direct internal investment management and custodial expense netted against the return. This is a presentation standard and had no effect on the previously reported change in net assets and net assets without donor restrictions and net assets with donor restrictions.

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*, which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. In November 2019, the FASB issued ASU 2019-02, delaying the effective date for non-public companies for fiscal years beginning after December 15, 2020.The Organizations are evaluating the impact the pronouncement may have on the financial statements.

In May 2014, FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU replaces nearly all existing U.S. GAAP guidance on revenue recognition. In August 2015, the FASB issued ASU 2015-14, *Revenue from Contract with Customers (Topic 606): Deferral of Effective Date*. This standard delays the effective date for non-public entities to fiscal years beginning after December 15, 2018, with early adoption permitted. The Organizations are evaluating the impact the pronouncement may have on the financial statements.

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958), *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This ASU is effective for the Organizations for the fiscal year beginning after December 15, 2018. The Organizations are evaluating the impact the pronouncement may have on the financial statements.

Subsequent Events

The Organizations evaluated subsequent events and transactions for potential recognition or disclosure on the financial statements through February 24, 2020, the date which the financial statements were available to be issued.

Note 2 - Liquidity and Availability -

The following reflects the Organizations' financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor imposed restrictions within one year of the statement of financial position date:

Consolidated Financial Assets at year end:	
Cash and Cash Equivalents	$ 2,038,695
Investments	3,569,800
Grants Receivable	283,404
Other Receivable	17,631
	5,909,530
Less those unavailable for general expenditures within on year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	(517,984)
Restricted by donor in perpetuity	(72,826)
Financial assets available to meet cash need for general expenditures within one year	$ 5,318,720

The Organizations' goal is to maintain liquid financial assets to meet 30 days of operating expenses. The Organizations invest cash in excess of daily requirements in interest bearing savings accounts and investment accounts held by financial institutions.

Note 3 - Property, Plant and Equipment -

A summary of fixed assets as of September 30, 2019 follows:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Properties	Consolidated Total
Buildings and Leasehold Improvements	$ 6,062,323	$ 4,806	$ -	$ 6,067,129
Equipment, Furnishings and Vehicles	1,801,525	20,127	-	1,821,652
	7,863,848	24,933	-	7,888,781
Less: Accumulated Depreciation	(3,420,078)	(20,524)	-	(3,440,602)
	4,443,770	4,409	-	4,448,179
Construction in Progress	473,791	-	-	473,791
Land	697,937	-	289,081	987,018
	$ 5,615,498	$ 4,409	$ 289,081	$ 5,908,988

Depreciation expense for the year ended September 30, 2019 was $269,314.

A description of the Construction in Progress is included in Note 15.

Note 4 - Concentrations -

Concentrations of credit risk and revenue sources are limited due to the large number of contributions comprising the Organizations' contributor base.

The Organizations maintain cash accounts with commercial banks, which are insured by the Federal Deposit Insurance Corporation up to the maximum allowed. Periodically, cash may exceed the federally insured amount. In addition, cash is on deposit with the Diocese of Baton Rouge and funds are secured by the investment in the Deposit and Loan Fund and by the guaranty of the Diocese.

Note 5 - 403(b) Program -

The Particular Council and the Pharmacy each have a 403(b) program for its employees. Under the programs, qualified employees are able to make elective deferrals and the Organizations contribute up to a maximum of 6% of qualified wages. The total contribution for the year ended September 30, 2019 for the Particular Council and the Pharmacy was $63,622 and $5,448, respectively.

Note 6 - Endowment Funds -

The Particular Council has adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). This law provides standards to establish investment policies in a prudent manner by establishing a duty to minimize cost, diversify the investments, investigate facts relevant to the investment of the fund, consider tax consequences of investment decisions and to ensure that investment decisions are made in light of the fund's entire portfolio as a part of an investment strategy having risk and return objectives reasonably suited to the fund and to the organization. UPMIFA also permits the Particular Council to accumulate for expenditure so much of an endowment fund as the Particular Council determines to be prudent for the uses, benefits, purposes and duration for which the endowment fund is established, thereby eliminating the restriction that a fund could not be spent below its historical dollar value. Seven criteria are to be used to guide the Particular Council in its yearly expenditure decisions:

(1) duration and preservation of the endowment funds,
(2) the purposes of the Particular Council and the endowment funds,
(3) general economic conditions,
(4) effect of inflation or deflation,
(5) the expected total return from income and the appreciation of investments,
(6) other resources of the Particular Council, and
(7) the investment policy of the Particular Council.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organizations' to retain as a fund of perpetual duration. There are no donor-restricted endowment funds (underwater endowments) with fair value below a minimum required amount as of September 30, 2019.

The Organizations' have a policy that permits spending from underwater endowments depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. There was no expenditures from underwater endowment funds during the year.

The Particular Council has followed the policy of investing its endowment funds in its savings account. As required by generally accepted accounting principles, and in accordance with the terms of the fund agreements, these endowment funds and the net appreciation (depreciation) of these funds are recorded as net assets with donor-imposed restrictions in these financial statements. The historical cost of the net assets associated with the endowment funds will be preserved, and any remaining net appreciation (depreciation) that is not classified in net assets with donor restrictions in perpetuity is classified as net assets with donor imposed restrictions for purpose.

Endowment net asset composition by type of fund as of September 30, 2019 is as follows:

		With Donor Restrictions		Total
	Without Donor Restrictions	Restricted For Purpose	Restricted In Perpetuity	Endowment Assets
Donor Restricted Endowment Funds	$ -	$ -	$ 72,826	$ 72,826

Changes in endowment net assets for the year ended September 30, 2019 are as follows:

		With Donor Restrictions		Total
	Without Donor Restrictions	Restricted For Purpose	Restricted In Perpetuity	Endowment Assets
Endowment Net Assets, Beginning of Year	$ -	$ -	$ 72,826	$ 72,826
Investment Income	-	284	-	284
Amounts Appropriated for Expenditure	-	(284)	-	(284)
Endowment Net Assets, End of Year	$ -	$ -	$ 72,826	$ 72,826

Note 7 - Investments -

At September 30, 2019, the fair values of the Foundation's investments were as follows:

Mutual Funds:	
Equities	$ 2,346,568
Fixed Income	1,223,232
	$ 3,569,800

Net unrealized losses of $51,980 and realized gains of $93,341, net of investment management and custodial expenses of $28,223, were recognized for the year ended September 30, 2019.

Note 8 - Fair Value Measurements -

The fair value measurement accounting literature provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels. Level 1 inputs to the valuation methodology are based on unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are unobservable and are based on assumptions market participants would utilize in pricing the asset.

The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis at September 30, 2019:

Level 1 - Mutual Funds - Valued at fair value based on quoted market price of the shares held by the Particular Council at year end.

The Foundation's investments are reported at fair value in the accompanying consolidated statement of financial position. The methods used to measure fair value may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value on a recurring basis as of September 30, 2019:

	Fair Value as of September 30, 2019			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Equities	$ 2,346,568	$ -	$ -	$ 2,346,568
Fixed Income	1,223,232	-	-	1,223,232
Total Investments	$ 3,569,800	$ -	$ -	$ 3,569,800

Note 9 - GCHP- One Stop, L.L.C. - Leases -

St. Vincent de Paul Properties, as Landlord, entered into a grounds lease with GCHP-One Stop, L.L.C., as Tenant, on July 30, 2010. This lease has a rental term of 50 years with a renewal option for an additional 25 years, and may be terminated by the Landlord after 15 years with 30 days written notice. If the termination option is exercised more than 15 years but less than 30 years after inception of the lease, the Landlord would assume the notes, mortgages, and regulatory agreements of the Tenant related to the construction of the leased facility and improvements, and would be required to continue to operate the leased facilities. If the termination option is exercised more than 30 years after inception of the lease, the Landlord would not assume any notes, mortgages, or regulatory agreements, but would be required to continue to operate the leased facilities. The total lease payments to be received each year equal $100 and payment is due in January each year. The following is a schedule by year of the future minimum lease payments receivable under the lease at September 30, 2019:

Fiscal Year:		
2020	$	100
2021		100
2022		100
2023		100
2024		100
Thereafter		3,500
Total Future Minimum Lease Payments Receivable	$	4,000

Note 10 - Investment in GCHP- One Stop, L.L.C. -

In July 2010, the Particular Council acquired a 24% interest in GCHP- One Stop, L.L.C., a limited liability company established to develop the One Stop Homeless Service Center and Housing Project. The Particular Council accounts for its investment in the unconsolidated affiliate by the equity method. The Particular Council records its share of such earnings (loss) in the Consolidated Statement of Activities and the carrying value of the investment in the unconsolidated affiliate is recorded in the Consolidated Statement of Financial Position as "Investment in GCHP-One Stop, L.L.C." The investment in the affiliate at September 30, 2019 was $243,555.

Note 11 - Notes Payable -

During 2011, The Particular Council of St. Vincent de Paul of Baton Rouge (Special Works) obtained a line of credit with the Diocese of Baton Rouge, which was used to purchase property on Florida Boulevard, a warehouse on North Street, and to complete the renovations to the warehouse. This line of credit had a maximum borrowing value in the amount of $470,000 and was drawn on by the Particular Council on an as needed basis. This line of credit was converted to a term loan effective November 2014. At September 30, 2019 the term loan is comprised of the following:

Loan with the Diocese of Baton Rouge dated November 19, 2014 with an original principal balance of $252,850 payable in 65 monthly installments of $4,300 which includes interest at a rate of 3.5%. The note is uncollateralized.	$	25,904
Less: Current Portion		(25,904)
Long-Term Portion	$	-

Total interest expense paid on this loan for the year ended September 30, 2019 was $1,876.

Note 12 - Net Assets Released from Restrictions -

Net assets were released from restrictions for the year ended September 30, 2019 for incurring expenses satisfying their restricted purposes as follows:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Foundation	Consolidated Total
Uniforms for Kids	$ 175,804	$ -	$ -	$ 175,804
Shelter Contributions	241,348	-	-	241,348
Emergency Shelter Expansion	405,509	-	-	405,509
Grants	835,431	201,685	-	1,037,116
Dining Room Contributions	180,772	-	-	180,772
Build a Basket	1,887	-	-	1,887
Gift Program	31,729	-	-	31,729
V150	9,044	-	-	9,044
Total Restrictions Released	$ 1,881,524	$ 201,685	$ -	$2,083,209

Note 13 - Restrictions/Transfers of Net Assets -

The Organizations received contributions from individuals for the purpose of purchasing school uniforms for disadvantaged children. The funds are restricted to the purchase of new uniforms.

The Organizations received contributions for the purpose of expanding the Pharmacy, the Bishop Ott Sweet Dreams Women and Children Shelter and other building costs. The funds are restricted for the purpose of building related expenses.

The Organizations received contributions for the purpose of building a new Emergency Day Shelter and a Campus Chapel. The funds are restricted for the purpose of building related expenses.

The Organizations received grants from various sources. The funds are restricted for the purpose of the various grants.

The Organizations received contributions for the purpose of operating its mobile kitchen. The funds are restricted for the purpose of operating the mobile kitchen.

The Organizations received contributions for the purposes of providing assistance to those affected by natural disasters.

The Organizations received contributions for the purposes of providing gifts to disadvantaged children. The funds are restricted to the purchase of toys and gifts.

The Organizations received contributions for the purpose of serving the poor. The funds are restricted for the purpose of assisting the poor and needy.

The Organizations received contributions for the purpose of assisting the store operations. The funds are restricted for the purposes of operating the stores.

Net assets with donor-imposed restriction at September 30, 2019 for purpose or time are available for the following purposes:

	Particular Council of SVDP	St. Vincent de Paul Pharmacy	St. Vincent de Paul Foundation	Consolidated Total
Pharmaceuticals	$ -	$ 7,811	$ -	$ 7,811
Assistance for the Poor	-	-	42,814	42,814
Shelters	49,000	-	-	49,000
Grants	18,674	-	-	18,674
Dining Room Contributions	4,624	-	-	4,624
Dental Contributions	3,915	-	-	3,915
Chapel	280,086	-	-	280,086
Disaster Contributions	34,511	-	-	34,511
Community Garden	1,128	-	-	1,128
Mobile Kitchen	46,485	-	-	46,485
Gift Program	3,936	-	-	3,936
Stores	25,000	-	-	25,000
	$ 467,359	$ 7,811	$ 42,814	$ 517,984

Net assets with donor-imposed restrictions to last in perpetuity are available for the following purposes:

Dining Room Operations	$ 72,826

Note 14 - Related Party -

The Organizations utilize the Diocese of Baton Rouge for the following self-insured services: property, health, life/disability insurance and dental insurance. Payments made directly to the Diocese of Baton Rouge for these services totaled $449,573 for the fiscal year ended September 30, 2019. In addition to the self-insurance services, the Diocese of Baton Rouge has loaned the Particular Council funds as indicated in Note 11 for the purchase of property and related renovations. The balance due to the Diocese of Baton Rouge at September 30, 2019 is $25,904 and the Particular Council has made $1,876 in interest payments related to this debt during the year ended September 30, 2019.

The Organizations pay solidarity dues to the national Society of St. Vincent de Paul. During the fiscal year ended September 30, 2019, solidarity dues of $24,479 were paid by the Organizations.

Note 15 - Commitments -

On February 5, 2018, with consent of the Board of Directors, management executed a contract with an architect for services related to the construction of a Day and Disaster Emergency Shelter. The contract indicates that the maximum fee to be charged is $50,000. As of September 30, 2019 billings for architect fees totaled $35,000, which is included in Construction in Progress. On April 24, 2019, management executed a contract for the construction of the Day and Disaster Emergency Shelter. The contract totals approximately $1,267,259, which includes $71,259 in change orders. As of September 30, 2019, $416,455 had been performed and is included in Construction in Progress. Of this amount, $108,489 is included in Accounts Payable as of September 30, 2019.

Note 16 - Lease Commitments -

The Particular Council has entered into a lease agreement for a store location under a non-cancelable operating lease. Future minimum lease payments are as follows:

Fiscal Year:	
2020	$ 49,996
2021	49,996
2022	49,996
2023	49,996
2024	12,499
	$ 212,483

The Particular Council has also entered into other lease agreements for the store locations that are paid on a month to month basis. Total rent expense for 2019 was $167,731.

SUPPLEMENTARY INFORMATION

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	CFDA	Amount of Federal Expenditures
U.S. Department of Housing and Urban Development		
Passed through City Parish:		
Emergency Solutions Grant Program	14.231	$ 138,620
Community Development Block Grant	14.218	160,500
Direct from HUD - Continuum of Care	14.267	328,709
Passed through State Office of Community Development - Disaster Recovery Unit:		
Community Development Block Grant	14.218	405,509
Passed through Louisiana Department of Social Service, Office Of Community Services:		
Emergency Solutions Grant Program	14.231	156,844
Total U.S. Department of Housing and Urban Development		1,190,182
U.S. Department of Homeland Security		
Passed Through United Way of America:		
Emergency Food and Shelter Program - FEMA	97.024	51,267
Total U.S. Department of Homeland Security		51,267
Total Federal Assistance		$ 1,241,449

See independent auditor's report.

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Note A - Significant Accounting Policies -

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Organizations 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note B - Indirect Cost Rate Election -

The Organizations did not elect to use the 10% de minimis indirect cost rate during the year ended September 30, 2019.

See independent auditor's report.

Hannis T. Bourgeois
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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

To the Board of Directors
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
Baton Rouge, 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 consolidated financial statements of the Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc., (the Organizations), which comprise the consolidated statement of financial position as of September 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organizations' 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' 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 entities' consolidated 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 the Organizations' consolidated 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 consolidated 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*.

Additional matters were communicated to management in a separate written communication.

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 Organizations' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organizations' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 24, 2020

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

To the Board of Directors
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana
St. Vincent de Paul Community Pharmacy, Inc.
Baton Rouge, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana and St. Vincent de Paul Community Pharmacy, Inc.'s ("The Organizations") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organizations' major federal programs for the year ended September 30, 2019. The Organizations' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organizations' 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 the Organizations' 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 the Organizations' compliance.

Opinion on Each Major Federal Program

In our opinion, the Organizations complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

Report on Internal Control Over Compliance

Management of the Organizations is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organizations' 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 the Organizations' 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. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 24, 2020

PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

(1) Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unmodified.

- Material weakness(es) identified? ________ Yes ___x___ No
- Significant deficiency(s) identified that are not considered to be material weaknesses? ________ Yes ___x___ None reported

Noncompliance material to financial statements noted? ________ Yes ___x___ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ________ Yes ___x___ No
- Significant deficiency(s) identified that are not considered to be material weaknesses? ________ Yes ___x___ None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of the Uniform Guidance? ________ Yes ___x___ No

Identification of major program:

Federal Grantor/ Pass - Through Grantor/ Program Title	CFDA Number
U.S. Department of Housing and Urban Development	
Passed through City Parish:	
Community Development Block Grant	14.218
Passed through State Office of Community Development - Disaster Recovery Unit	
Community Development Block Grant	14.218

- The threshold for distinguishing Types A and B programs was $750,000.
- The Organizations were determined to be a high-risk auditee, in accordance with 2 CFR 200.520, as the Organizations have not been subject to a Uniform Guidance audit in each of the past two years.

(CONTINUED)

(2) Findings Relating to the Financial Statements Reported in accordance with *Government Auditing Standards*:

None

(3) Findings Relating to Compliance and Other Matters:

None

(4) Findings and Questioned Cost Related to Federal Awards:

None

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

There were no prior year audit findings.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2019

ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Current Assets:							
Cash and Cash Equivalents	$257,974	$ 1,050,851	$ 2,100	$ 635,210	$ 92,560	$ -	$ 2,038,695
Investments	-	-	-	3,569,800	-	-	3,569,800
Grants Receivable	-	274,554	-	-	8,850	-	283,404
Other Receivable	-	17,531	-	-	100	-	17,631
Accrued Interest	-	835	-	805	2	-	1,642
Prepaid Expenses	-	36,964	-	-	4,308	-	41,272
Inventory	-	198,090	-	-	15,634	-	213,724
Due From Related Entities	5	-	-	-	3,676	(3,681)	-
Total Current Assets	257,979	1,578,825	2,100	4,205,815	125,130	(3,681)	6,166,168
Property, Plant and Equipment, Net of Accumulated Depreciation	-	5,615,498	289,081	-	4,409	-	5,908,988
Investment in GCHP-One Stop, L.L.C.	-	243,555	-	-	-	-	243,555
Other Assets	-	13,170	-	-	4,245	-	17,415
Total Assets	$257,979	$ 7,451,048	$291,181	$4,205,815	$133,784	$ (3,681)	$12,336,126

(CONTINUED)

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS OF SEPTEMBER 30, 2019

LIABILITIES AND NET ASSETS

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Current Liabilities:							
Current Portion of Long-Term Debt	$ -	$ 25,904	$ -	$ -	$ -	$ -	$ 25,904
Accounts Payable	-	148,851	-	-	1,708	-	150,559
Accrued Liabilities	-	129,018	-	-	8,658	-	137,676
Due to Related Entities	-	3,681	-	-	-	(3,681)	-
Total Current Liabilities	-	307,454	-	-	10,366	(3,681)	314,139
Net Assets:							
Without Donor Restrictions	257,979	6,603,409	291,181	4,163,001	115,607	-	11,431,177
With Donor Restrictions:							
Restricted For Purpose	-	467,359	-	42,814	7,811	-	517,984
Restricted in Perpetuity	-	72,826	-	-	-	-	72,826
Total Net Assets	257,979	7,143,594	291,181	4,205,815	123,418	-	12,021,987
Total Liabilities and Net Assets	$257,979	$ 7,451,048	$291,181	$4,205,815	$133,784	$ (3,681)	$12,336,126

See independent auditor's report.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Changes in Net Assets Without Donor Restrictions:							
Public Support and Revenue Without Donor Restrictions:							
Contributions	$ -	$ 1,027,066	$ -	$ -	$ 150,619	$ -	$ 1,177,685
Conference Income	731,467	-	-	-	-	-	731,467
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	-	2,108,076	525	450	1,032,796	(96,400)	3,045,447
Sale of Merchandise	-	1,386,247	-	-	-	-	1,386,247
Interest Income	-	9,600	-	65,365	22	-	74,987
Gain on Disposition of Assets	-	19,007	-	-	-	-	19,007
Miscellaneous Income	-	113,010	100	-	4,817	-	117,927
Net Gain on Investments	-	-	-	13,138	-	-	13,138
Net Assets Released From Restrictions	-	1,881,524	-	-	201,685	-	2,083,209
Total Public Support and Revenues Without Donor Restrictions	731,467	6,544,530	625	78,953	1,389,939	(96,400)	8,649,114
Expenses:							
Program Services	745,615	5,696,770	2,825	4,050	1,220,064	(5,700)	7,663,624
Fund Raising	-	230,755	-	-	39,859	(30,700)	239,914
Management and General	-	346,517	-	-	88,966	(60,000)	375,483
Total Expenses	745,615	6,274,042	2,825	4,050	1,348,889	(96,400)	8,279,021
Change in Net Assets Without Donor Restrictions	(14,148)	270,488	(2,200)	74,903	41,050	-	370,093

(CONTINUED)

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

CONSOLIDATING STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	St. Vincent dePaul Council	Particular Council of St. Vincent dePaul (Special Works)	St. Vincent dePaul Properties	St. Vincent dePaul Foundation	St. Vincent dePaul Pharmacy	Eliminations	Total
Changes in Net Assets with Donor Restrictions:							
Public Support and Revenues with Donor Restrictions:							
Contributions	-	591,252	-	42,814	-	-	634,066
Grant Income	-	1,406,851	-	-	168,590	-	1,575,441
Interest Income	-	284	-	-	-	-	284
Net Assets Released from Restrictions	-	(1,881,524)	-	-	(201,685)	-	(2,083,209)
Change in Net Assets with Donor Restrictions	-	116,863	-	42,814	(33,095)	-	126,582
Change in Net Assets	(14,148)	387,351	(2,200)	117,717	7,955	-	496,675
Net Assets, Beginning of Year	282,127	6,752,143	291,081	4,084,498	115,463	-	11,525,312
Transfer to (from) Entities	(10,000)	4,100	2,300	3,600	-	-	-
Net Assets, End of Year	$ 257,979	$ 7,143,594	$291,181	$4,205,815	$ 123,418	$ -	$12,021,987

See independent auditor's report.

ST. VINCENT DE PAUL BATON ROUGE COUNCIL
PARTICULAR COUNCIL OF ST. VINCENT DE PAUL OF BATON ROUGE, LOUISIANA
ST. VINCENT DE PAUL COMMUNITY PHARMACY, INC.
ST. VINCENT DE PAUL PROPERTIES
THE SOCIETY OF ST. VINCENT DE PAUL FOUNDATION

SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO THE PRESIDENT & CEO

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Agency Head Name: Michael J. Acaldo

Purpose		Amount
Salary *	$	140,592
Benefits - Insurance	$	7,178
Benefits - Retirement	$	8,436
Conference Travel **	$	1,822

* Salary includes role as President and CEO, Development Director, Chief Grant Writer, Public Relations Director, Chief Operating Officer and Executive Role on the Foundation, Properties and Council.

** Conference travel is to the National Annual St. Vincent DePaul meeting. Attendance is expected.

See independent auditor's report.

HTB Hannis T. Bourgeois
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To the Board of Directors
St. Vincent de Paul Baton Rouge Council,
Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana,
St. Vincent de Paul Community Pharmacy, Inc.,
St. Vincent de Paul Properties, and
The Society of St. Vincent de Paul Foundation
Baton Rouge, Louisiana

In planning and performing our audit of the consolidated financial statements of St. Vincent de Paul Baton Rouge Council, Particular Council of St. Vincent de Paul of Baton Rouge, Louisiana, St. Vincent de Paul Community Pharmacy, Inc., St. Vincent de Paul Properties and the Society of St. Vincent de Paul Foundation (the Organizations) as of and for the year ended September 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Organizations' internal control over financial reporting (internal control) as a basis for designing auditing 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 the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

However, during our prior year audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated February 24, 2020, on the financial statements of the Organizations.

We have already discussed these comments and suggestions with various Organizations' personnel and management, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Conference Reporting

Finding:

During our prior year audit, we noted that three of the conferences (St. John the Baptist, St. Joseph, and Sacred Heart conferences) did not submit their 2018 self-audit reports to the Council prior to the October 31 deadline mandated by the Council's conference reporting standards. We did note however that the three conferences did submit their reports after the deadline. Without consistent adherence to conference reporting standards, misstatements in conference financial statements, whether due to error or fraud, may not be detected.

Recommendation:

We recommended and continue to recommend that consistent adherence to conference reporting standards and related deadlines be enforced.

Management's Response/Corrective Action Taken:

The deadline for submission of conference reporting will continue to be communicated and enforced. During the current year, the submissions of conference self-audit reports were all received timely.

Segregation of Duties

Finding:

During our prior year audit, the Organization notified us that a misappropriation of funds had occurred in one its conferences (St. Paul's). The conference treasurer wrote and authorized several checks that were made out to himself or to "cash" which resulted in a theft of conference funds by this individual. Upon the periodic review of bank activity by the conference board chair, this issue was detected and communicated to the Organization. Corrective action was taken to remove the treasurer from his position and to determine the full amount of the theft which was ultimately recovered through insurance. The total theft amounted to approximately $800. The Organization and Conferences President also communicated to each of the conferences that check signing ability should be segregated to someone other than the person writing the checks or a dual signature should be required if the person writing the checks has the ability to sign.

Recommendation:

We recommended and continue to recommend that the Organization re-evaluate its segregation of duties in the cash handling process including the controls that exist around its cash disbursements and receipts processes. Good internal control requires that no one person handle all elements of a single transaction. To the extent that it is practical, segregation of cash disbursements duties can be accomplished in the following ways - 1) a responsible official other than the person preparing the checks should review all checks and initial the related source documents before the checks are mailed. 2) Dual signatures should be required on all checks over a specified amount. 3) Someone other than the person preparing the check should sign and be responsible for the mailing. 4) Access to the blank checks or the keys to the imprinting machine should be limited to the personnel responsible for those functions. 5) A periodic review of the bank activity should be performed by someone in a supervisor or governance position. To the extent that it is practical, segregation of cash receipts duties can be accomplished in the following ways - 1) having persons who receive payments prepare a list to be used to post receipts to the applicable accounts by another person. The duties of either of these employees should not include preparing bank reconciliations. 2) Bonding persons handling cash.

Management's Response/Corrective Action Taken:

Management is re-evaluating its segregation of duties related to the cash handling process and continues to look for ways to improve or further enhance segregation of duties. Regarding the conferences cash handling, all conferences require independent review of every check written by the treasurer or other authorized personnel in charge of check signing. This review is usually done by the conference president. Additionally, every bank reconciliation is reviewed on at least a quarterly basis by each conference president and by the board president of the conferences.

This report is intended for the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited.

Respectfully submitted,

Hannis T. Bourgeois, LLP

Baton Rouge, Louisiana
February 24, 2020