

**OFFICE OF NUTRITION ASSISTANCE, INC.  
FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT  
WITH SUPPLEMENTAL INFORMATION  
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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**OFFICE OF NUTRITION ASSISTANCE, INC.**  
**FINANCIAL STATEMENTS**  
**WITH SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2019**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
Office of Nutrition Assistance, Inc.  
1001 NW Central Avenue  
Amite, LA 70422

### **Report on the Financial Statements**

I have audited the accompanying financial statements of Office of Nutrition Assistance, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

My responsibility is to express an opinion on these financial statements based on our audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## ***Opinion***

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Office of Nutrition Assistance, Inc., as of September 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Other Information*

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The information in the audited statement of claims and schedule of meals served and program reimbursements as required by the Louisiana Department of Education and the schedule of compensation, benefits, and other payments to the agency head is also presented for purposes for additional analysis and is not part of the required 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 my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated June 28, 2020, on my consideration of Office of Nutrition Assistance, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Office of Nutrition Assistance, Inc.'s internal control over financial reporting and compliance.



Minda Raybourn  
Certified Public Accountant

Franklinton, LA

June 28, 2020

**OFFICE OF NUTRITION ASSISTANCE, INC.  
STATEMENT OF FINANCIAL POSITION  
YEAR ENDED SEPTEMBER 30, 2019**

ASSETS	<u>Administrative</u>	<u>General</u>	<u>Total</u>
Current Assets			
Cash and cash equivalents	\$ -	\$ 1,028	\$ 1,028
Due from Department of Education	86,529	-	86,529
Due from Administrative Fund	-	-	-
Total Current Assets/Total Assets	<u>86,529</u>	<u>1,028</u>	<u>87,557</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable	779	-	779
Cash overdrawn	1,074	-	1,074
Due to providers	85,450	-	85,450
Due to Department of Education	-	-	-
Withholding taxes payable	3,227	-	3,227
Accrued salaries payable	18,039	-	18,039
Line of credit-Whitney Bank	-	9,425	9,425
Due to General Fund	-	-	-
Total Current Liabilities/Total Liabilities	<u>108,569</u>	<u>9,425</u>	<u>117,994</u>
Net Assets (Deficit)			
With donor restrictions	-	-	-
Without donor restrictions	<u>(22,040)</u>	<u>(8,397)</u>	<u>(30,437)</u>
Total Net Assets (Deficit)	<u>(22,040)</u>	<u>(8,397)</u>	<u>(30,437)</u>
Total Liabilities and Net Assets (Deficit)	<u>\$ 86,529</u>	<u>\$ 1,028</u>	<u>\$ 87,557</u>

See accompanying notes to the financial statements.

**OFFICE OF NUTRITION ASSISTANCE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2019**

UNRESTRICTED NET ASSETS	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND OTHER GAINS</b>			
Provider reimbursement	\$ -	\$ 564,888	\$ 564,888
Administrative reimbursement	-	157,020	157,020
Fundraising and other contributions	-	6,175	6,175
Fire inspections	5,788	-	
Other income	2,000	-	2,000
Net assets released from restrictions	<u>728,083</u>	<u>(728,083)</u>	<u>-</u>
Total support and other gains	<u><u>735,871</u></u>	<u><u>-</u></u>	<u><u>730,083</u></u>
<b>EXPENSES</b>			
Program services	564,888	-	564,888
Supporting services	163,630	-	163,630
Fundraising contributions	1,578	-	1,578
Other expenses	<u>10,258</u>	<u>-</u>	<u>10,258</u>
Total expenses	<u><u>740,354</u></u>	<u><u>-</u></u>	<u><u>740,354</u></u>
CHANGE IN NET ASSETS	(4,483)	-	(4,483)
NET ASSETS (DEFICIT), BEGINNING	<u>(25,954)</u>	<u>-</u>	<u>(25,954)</u>
NET ASSETS (DEFICIT), ENDING	<u><u>\$ (30,437)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (30,437)</u></u>

See accompanying notes to the financial statements.

**OFFICE OF NUTRITION ASSISTANCE, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2019**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from administrative reimbursements	\$ 158,099
Cash received from program reimbursements	576,779
Cash received from fundraising efforts	6,175
Cash received from other sources	7,788
Cash paid for program expenses	(61,973)
Cash paid to or on behalf of employees for services	(113,722)
Cash paid to suppliers for goods and services	(575,507)
Net cash used for operating services	<u>(2,360)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Loan proceeds net of principal payments on line of credit	<u>1,728</u>
Net cash provided by financing activities	<u>1,728</u>
CASH AND CASH EQUIVALENTS, BEGINNING	1,660
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 1,028</u>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED FOR OPERATING ACTIVITIES</b>	<b>\$ (4,483)</b>
Adjustments to reconcile change in net assets to net cash used for operating activities	
(Increase) decrease in assets:	
Due from Department of Education	11,887
Increase (decrease) in liabilities:	
Accounts payable	(271)
Due to providers	(10,619)
Withholding taxes payable	(12)
Accrued salaries payable	1,138
 <b>NET CASH PROVIDED (USED) FOR OPEARATING ACTIVITIES</b>	 <u><u>\$ (2,360)</u></u>

See accompanying notes to the financial statements.

**OFFICE OF NUTRITION ASSISTANCE, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2019**

<u>ACCOUNT</u>	<u>PROGRAM</u>	<u>SUPPORTING</u>	<u>GENERAL</u>
Equipment purchased/repaired	\$ -	\$ 767	\$ -
Accounting and audit	-	4,000	-
Outside contract services	-	1,000	900
Bank Fees	-	982	563
Fire inspections	-	-	6,370
Fundraising costs	-	-	1,578
Insurance	-	1,649	-
Interest expense	-	-	1,902
Minute Menu	-	2,435	-
Office expenses	-	7,846	92
Postage	-	3,350	-
Internet	-	1,200	-
Provider payments/support	564,888	-	-
Rent/occupancy	-	11,795	200
Salaries	-	104,189	-
Other costs	-	-	-
Payroll taxes	-	9,532	-
Printing/copying	-	1,592	-
Traning	-	260	231
Telephone	-	3,825	-
Travel	-	4,818	-
Utilities	-	4,391	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 564,888</b>	<b>\$ 163,630</b>	<b>\$ 11,836</b>

See accompanying notes to the financial statements.



## **NOTES TO FINANCIAL STATEMENTS**

**OFFICE OF NUTRITION ASSISTANCE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Family Day Care Home Program of Office of Nutrition Assistance, Inc., (hereafter referred to as the Organization) was established to provide supervised provisions of meals. It serves an average of 150 homes per month to primarily low-income, disabled, elderly or other disadvantaged residents of Tangipahoa, St. Tammany and surrounding parishes. It engages in the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226.

It operates on a fiscal year ending on September 30th, and its significant accounting policies are as follows:

**Basis of presentation**

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

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**Measure of operations**

The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature

**OFFICE OF NUTRITION ASSISTANCE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Cash and Cash Equivalents**

Cash and cash equivalents consist of demand deposits. For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Receivables**

Accounts receivable are stated at net realizable value. The Organization maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers/vendors to make required payments. Because collection is expected at 100%, an allowance for doubtful accounts has not been recorded.

**Inventory**

Inventory is stated at cost. It includes only office supplies and printed materials, the amount of which is considered immaterial. Therefore, the acquisition of these items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying financial statements.

**Property and Equipment**

Property and equipment purchased by the Organization is recorded at cost. They are depreciated using the straight-line method over the estimated useful lives of the assets. Equipment with an original cost of \$5,000 or greater is generally capitalized. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

**Support and Expenses**

The Organization reports administrative and program reimbursements on the accrual basis of accounting. The amounts due to providers are also reported on the accrual basis of accounting. A donor restriction applies to the program reimbursement, and the amount is shown as temporarily restricted net assets. When the donor restriction expires, that is, when the stipulated restriction ends by payments to providers, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted reimbursements whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Advertising costs are expensed as incurred. There were no such costs during the current year.

**OFFICE OF NUTRITION ASSISTANCE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Income Taxes**

The Organization is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The federal income tax returns of the company for fiscal years 2017, 2018, and 2019 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

**New Accounting Pronouncement**

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**Reclassifications**

Certain reclassifications have been made to the 2018 financial statements in order form them to be consistent with the 2019 presentation.

**NOTE 2 – AVAILABILITY AND LIQUIDITY**

The following represents the Organization’s financial assets at September 30, 2019:

Financial assets at year end:	
Cash and cash equivalents	\$ 1,028
Accounts Recievable	86,529
Financial assets available to meet	
general expenditures over the next twelve months	<u>\$ 87,557</u>

The Organization’s goal is to maintain financial assets to meet 3 months of operating expenses. As part its liquidity plan, cash is held in checking accounts.

**OFFICE OF NUTRITION ASSISTANCE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**NOTE 3 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of demand deposits totaling \$1,028 in the general fund. These funds are utilized at the discretion of management. The Organization has provider and administrative fund accounts that are overdrawn at (\$1,074). This amount was reported as a current liability. The administrative and provider accounts are to be utilized for the family day care home program.

**NOTE 4 - RECEIVABLES**

Receivables are stated at the amount the Organization expects to collect. Management considers all receivables to be collectible at year-end.

Receivables at year-end consist of the following:

Due from Department of Education \$86,529

**NOTE 5 – ACCOUNTS AND OTHER PAYABLES**

Payables at year end include the following:

Accounts payable	779
Cash overdrawn	1,074
Payables to providers	85,450
Withholding taxes payable	3,227
Accrued salaries	18,039
Line of credit	9,425
Total	<u><u>117,994</u></u>

The Organization has a line of credit with Whitney Bank for which funds are received and paid from the General Fund.

**NOTE 6 – NET ASSETS**

The Organization has a net deficit at the end of the year in the amount of (\$30,437). In order to increase the net assets to a positive balance, the Organization plans to hold several fundraising events in the near future.

**OFFICE OF NUTRITION ASSISTANCE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

**NOTE 7 - RESTRICTIONS ON NET ASSETS**

Substantially all of the restrictions on net assets relate to amounts requested from the State of Louisiana, Department of Education for reimbursement to the providers of meals through the Family Day Care Home Program of the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226. The amount due to providers requested but not yet received at year end has been accrued in the accompanying financial statements and is listed in the note above.

**NOTE 8 – RECLASSIFICATIONS OF NET ASSETS**

The prior period ending net assets were reclassified as follows:

	Administrative Fund	General Fund	Total
Net assets, previously stated	(81,923)	55,969	(25,954)
Adjustments:			
Due to/from adjusted	64,493	(64,493)	-
Net assets, restated	<u>(17,430)</u>	<u>(8,524)</u>	<u>(25,954)</u>

**NOTE 9 - FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the program and supporting services have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated between the program and supporting services.

**NOTE 10- CONCENTRATIONS**

*Cash and Cash Equivalents.* Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2019, the Organization did not have bank balances in excess of FDIC insured limits. However, the collected balances exceed these limits in the provider's account for a few days each month. The Organization accepts this risk.

*Receivables and Revenues.* All receivables recorded are due from the Louisiana Department of Education, Division of Nutrition Assistance. Approximately 98% of the Organization's support is paid by the Department of Education, State of Louisiana through the U.S. Department of Agriculture Food and Nutrition Services, Family Day Care Home Program, under 7 CFR Part 226.

**OFFICE OF NUTRITION ASSISTANCE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019**

*Geographical Market.* The Organization is approved to operate in the parishes of Tangipahoa, St. Tammany and surrounding parishes. Volume is dependent on the willing and eligible providers in these areas.

**NOTE 11 - LITIGATION**

We are not aware of any pending or threatened litigation, claims or assessments that are required to be accrued or disclosed in this financial report.

**NOTE 12 - SUBSEQUENT EVENTS**

There were no subsequent events between the close of the fiscal year and June 28, 2020 the date on which the financial statements were available to be issued, that would materially impact the accompanying financial statements.

**OFFICE OF NUTRITION ASSISTANCE, INC.  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED SEPTEMBER 30, 2019**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
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**Major Programs**

US Department of Agriculture Food and Nutrition Services Child and Adult Day Care Food Program	10.558	
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**Family Day Care Home Program**

Pass Through  
 State of Louisiana, Department of Education  
 Division of Nutrition

Program services: meals/snacks	\$ 564,888
Supporting services	<u>163,630</u>
Total federal award expenditures	<u>\$ 728,518</u>

**Notes to Schedule of Expenditures of Federal Awards  
 Year ended September 30, 2019**

**Basis of Presentation**

This schedule of expenditures of federal awards includes the federal grant activity of the Family Day Care Home Program 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 of Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the basic financial statements.

**Indirect Cost Rate**

Office of Nutrition Assistance has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Subrecipients**

There were no awards passed through to sub-recipients.

See Independent Auditor's Report.



# Minda B. Raybourn

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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 Trustees of  
Office of Nutrition Assistance, Inc.  
1001 NW Central Avenue  
Amite, LA 70422

I 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 Office of Nutrition Assistance, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 28, 2020.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, I considered Office of Nutrition Assistance, 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 my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Office of Nutrition Assistance, Inc.'s internal control. Accordingly, I do not express an opinion on the effectiveness of the Office of Nutrition Assistance, 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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 Office of Nutrition Assistance, Inc.'s financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Minda Raybourn  
Certified Public Accountant  
Franklinton, LA

June 28, 2020

# *Minda B. Raybourn*

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Franklinton, Louisiana 70438

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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 Trustees of  
Office of Nutrition Assistance, Inc.  
307 NW Central Avenue  
Amite, LA 70422

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

I have audited Office of Nutrition Assistance Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Office of Nutrition Assistance Inc.'s major federal program for the year ended September 30, 2019. Office of Nutrition Assistance Inc.'s major federal program 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***

My responsibility is to express an opinion on compliance for each of Office of Nutrition Assistance Inc.'s major federal program based on my audit of the types of compliance requirements referred to above. I conducted my 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 I 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 Office of Nutrition Assistance Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for our opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Office of Nutrition Assistance Inc.'s compliance.

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

In my opinion, Office of Nutrition Assistance 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 Office of Nutrition Assistance Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Office of Nutrition Assistance Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Office of Nutrition Assistance Inc.'s internal control over compliance.

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

My 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. I did not identify any deficiencies in internal control over compliance that I 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 my 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.



Minda Raybourn

Certified Public Accountant

Franklinton, LA

June 28, 2020

*Minda B. Raybourn*

*Certified Public Accountant*

*Limited Liability Company*

820 11<sup>th</sup> Avenue

Franklinton, Louisiana 70438

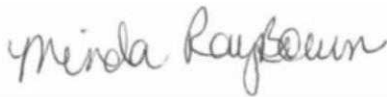
(985) 839-4413

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INDEPENDENT AUDITOR'S REPORT ON CLAIMS FOR REIMBURSEMENT

To the Board of Trustees of Office of Nutrition Assistance, Inc.  
307 NW Central Avenue  
Amite, Louisiana 70422

I have examined the accompanying claims for reimbursements (Audited Statements of Claims attached) submitted by the Family Day Care Home Program of Office of Nutrition Assistance, Inc. under the FDCH program. My examination was made in accordance with auditing standards established by the American Institute of Certified Public Accountants and with generally accepted government auditing standards established by the Comptroller General of the United States and included tests of programs and accounting records prescribed by the USDAOIG guide for audits of this program. In my opinion, the aforementioned claims present fairly the number of meals or supplements eligible for reimbursement for the period October 1, 2018 through September 30, 2019.



Minda Raybourn  
Certified Public Accountant

Franklinton, LA  
June 28, 2020

**OFFICE OF NUTRITION ASSISTANCE, INC.  
AUDITED STATEMENT OF CLAIMS  
YEAR ENDED SEPTEMBER 30, 2019**

REIMBURSEMENT PER AUDIT

Administrative	157,020
Program-meals	<u>564,888</u>
Total reimbursement per audit	<u><u>721,908</u></u>

REIMBURSEMENTS CLAIMED AND RECEIVED

Administrative	157,020
Program-meals	<u>564,888</u>
Total reimbursement claims and received	<u><u>721,908</u></u>

(OVER) UNDER CLAIM	<u><u>-</u></u>
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See Independent Auditor's Report.

**OFFICE OF NUTRITION ASSISTANCE, INC.**  
**SCHEDULE OF MEALS SERVED AND PROGRAM REIMBURSEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2019**

MEALS SERVED	NUMBER SERVED BY MEAL TYPE				
	BREAKFAST	LUNCH	SUPPLEMENTS	SUPPER	TOTAL
From October 1, 2018 through June 30, 2019					
Tier 1	41,299	51,270	84,578	73,018	250,165
Reimbursement rate	1.31	2.46	0.73	2.46	
Total for period	54,102	126,124	61,742	179,624	421,592
From July 1, 2019 through September 30, 2019					
Tier 1	12,141	19,900	28,411	22,720	83,172
Reimbursement rate	1.33	2.49	0.74	2.49	
Total for period	16,148	49,551	21,024	56,573	143,295
TOTAL MEALS SERVED	53,440	71,170	112,989	95,738	333,337
NET REIMBURSEMENT	70,249	175,675	82,766	236,197	564,888

See Independent Auditor's Report.

**OFFICE OF NUTRITION ASSISTANCE, INC.  
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD  
YEAR ENDED SEPTEMBER 30, 2019**

Agency Head: Suzanne Todd, Executive Director

Purpose:

Salary	\$ 59,342
Benefits-FICA	4,540
Travel-monitoring visits	1,534

Total compensation, benefits, and other payments	<u>\$ 65,416</u>
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See independent auditor's report.



**OFFICE OF NUTRITION ASSISTANCE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2019**

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Office of Nutrition Assistance, Inc. were prepared in accordance with generally accepted accounting principles.
2. No material weaknesses or significant deficiencies are reported.
3. No instances of noncompliance material to the financial statements of the Office of Nutrition Assistance were disclosed during the audit.
4. No significant deficiencies or material weaknesses were identified during the audit of the major federal award program.
5. The auditor's report on compliance for the United States Department of Agriculture Child and Adult Care Food Program (CACFP) expresses a unmodified opinion.
6. The program tested as a major program was the United States Department of Agriculture Child and Adult Care Food Program (CACFP) (CFDA 10.558).
7. The threshold for the distinguishing Types A and B programs are as follows:  
Type A- \$750,000 or more of federal awards expended  
Type B- Any program that does not meet the threshold of Type A programs.
8. For the period ending September 30, 2019, the Office of Nutrition Assistance, Inc. was determined not to be a low-risk auditee.

**FINDINGS-FINANCIAL STATEMENTS**

None

**FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAM**

None

**MANAGEMENT LETTER**

None

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

# Minda B. Raybourn

*Certified Public Accountant  
Limited Liability Company*

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wrcpa@franklinton.net

Member  
AICPA

Member  
LCPA

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 28, 2020

To the Board of Directors of Office of Nutrition Assistance, Inc.  
And Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by Office of Nutrition Assistance, Inc.. (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period October 1, 2018 through September 30, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase

orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

- c) *Disbursements*, including processing, reviewing, and approving.
- d) *Receipts/Collections*, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) *Payroll/Personnel*, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) *Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) *Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)*, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) *Travel and expense reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) *Disaster Recovery/Business Continuity*, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

**The entity's policies do not address budgeting. The entity does not use purchase orders or requisitions due to its small size. The entity does not have policies and procedures addressing contracting, the use of debit cards, and travel and expense reimbursement dollar thresholds, and disaster recovery/business continuity. The entity does not use credit cards, fuel cards, or P-cards.**

**Management Response: We will implement policies and procedures for budgeting, contracting, the use of debit cards, travel and expense reimbursement dollar thresholds, and disaster recovery/business continuity.**

*Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)*

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

**The locations that process payments and management's representation that the listing is complete were obtained.**

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

**The executive director can initiate and approve a purchase.**

- b) At least two employees are involved in processing and approving payments to vendors.

**The executive director can process and approve payments.**

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

**The executive director can process payments and add/modify the vendor file.**

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

**Signed checks are mailed daily by another employee or picked up by the postal service at the office.**

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

**No exceptions noted.**

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**No exceptions noted.**

I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

A handwritten signature in cursive script that reads "Minda Rayburn".

Franklinton, LA  
June 28, 2020