

TARC, INC.
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

TARC, INC.

TABLE OF CONTENTS

JUNE 30, 2020 AND 2019

	<u>Page #</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Functional Expenses	6-7
Statements of Cash Flows	8
Notes to Financial Statements	9-19
GOVERNMENT AUDITING STANDARDS COMPLIANCE REPORTS	
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 <i>Government Auditing Standards</i>	20-21
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	
Summary of Audit Results	22
Summary of Prior Year's Audit Findings	23
SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer	24
LOUISIANA ATTESTATION QUESTIONNAIRE	25-27



BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
TARC, Inc.
Hammond, Louisiana

We have audited the accompanying statements of TARC, Inc. (a nonprofit organization), which comprises the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TARC, Inc. as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer on page 24 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2020, on our consideration of TARC, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 TARC, Inc.'s internal control over financial reporting and compliance.

Bernard & Franks

Metairie, Louisiana
November 17, 2020

TARC, INC.

**STATEMENTS OF FINANCIAL POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

ASSETS	2020	2019
CURRENT ASSETS		
Cash and cash equivalents	\$ 914,353	\$ 333,009
Accounts receivable	196,017	224,152
Unconditional promises to give	3,366	7,016
Prepaid insurance	1,005	-
Total current assets	\$ 1,114,741	\$ 564,177
LONG-TERM ASSETS		
Investments	\$ 71,059	\$ 70,632
Investments-certificate of deposit	85,941	85,941
	\$ 157,000	\$ 156,573
LAND, PROPERTY AND EQUIPMENT		
Less accumulated depreciation	\$ 728,581	\$ 535,899
	(437,608)	(410,387)
	\$ 290,973	\$ 125,512
OTHER ASSETS		
Lease value of land and building	\$ 350,000	\$ 350,000
Total assets	\$ 1,912,714	\$ 1,196,262

	<u>2020</u>	<u>2019</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 28,038	\$ 28,931
Other payables	35,616	29,814
Accrued salaries and payroll taxes	128,383	77,026
Line of credit	-	381
Current maturities of note payable	5,748	6,126
Total current liabilities	<u>\$ 197,785</u>	<u>\$ 142,278</u>
LONG TERM LIABILITIES		
Note payable	\$ 111,802	\$ 115,927
Refundable advance	10,000	-
Total long term liabilities	<u>\$ 121,802</u>	<u>\$ 115,927</u>
Total liabilities	<u>\$ 319,587</u>	<u>\$ 258,205</u>
NET ASSETS		
Without donor restrictions		
Undesignated	\$ 1,243,127	\$ 584,861
Designated	-	-
With donor restrictions	350,000	353,196
Total net assets	<u>\$ 1,593,127</u>	<u>\$ 938,057</u>
Total liabilities and net assets	<u>\$ 1,912,714</u>	<u>\$ 1,196,262</u>

See Notes to Financial Statements.

TARC, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Revenues and gains			
Contributions	\$ 41,644	\$ -	\$ 41,644
United Way	7,506	-	7,506
In kind contributions	61,500	-	61,500
Medicaid	3,100,277	-	3,100,277
Fund raising	301,471	-	301,471
Memberships	1,950	-	1,950
Investment income	1,028	-	1,028
Paycheck Protection Plan grant	519,699	-	519,699
Other income	76,740	-	76,740
Net assets released from restrictions			
Expiration of time restriction-United Way Services	3,196	(3,196)	-
Total revenues, gains, and other support	<u>\$ 4,115,011</u>	<u>\$ (3,196)</u>	<u>\$ 4,111,815</u>
EXPENSES			
Program Services			
Community support services	\$ 2,929,419	\$ -	\$ 2,929,419
Adult day habilitation	166,223	-	166,223
Early intervention	67,510	-	67,510
Support Services			
Management and general	90,654	-	90,654
Fund-raising	202,939	-	202,939
Total expenses	<u>\$ 3,456,745</u>	<u>\$ -</u>	<u>\$ 3,456,745</u>
Change in net assets	\$ 658,266	\$ (3,196)	\$ 655,070
Net assets at beginning of year	<u>584,861</u>	<u>353,196</u>	<u>938,057</u>
Net assets at end of year	<u>\$ 1,243,127</u>	<u>\$ 350,000</u>	<u>\$ 1,593,127</u>

See Notes to Financial Statements.

TARC, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Revenues and gains			
Contributions	\$ 19,647	\$ -	\$ 19,647
United Way	8,295	3,196	11,491
In kind lease	51,200	-	51,200
Medicaid	3,018,445	-	3,018,445
Fund raising	328,386	-	328,386
Memberships	950	-	950
Investment income	3,247	-	3,247
Other income	26,152	-	26,152
Net assets released from restrictions			
Expiration of time restriction-United Way Services	28,444	(28,444)	-
Total revenues, gains, and other support	<u>\$ 3,484,766</u>	<u>\$ (25,248)</u>	<u>\$ 3,459,518</u>
EXPENSES			
Program Services			
Community support services	\$ 2,770,153	\$ -	\$ 2,770,153
Adult day habilitation	129,707	-	129,707
Early intervention	62,799	-	62,799
Support Services			
Management and general	89,998	-	89,998
Fund-raising	219,263	-	219,263
Total expenses	<u>\$ 3,271,920</u>	<u>\$ -</u>	<u>\$ 3,271,920</u>
Change in net assets	\$ 212,846	\$ (25,248)	\$ 187,598
Net assets at beginning of year	<u>372,015</u>	<u>378,444</u>	<u>750,459</u>
Net assets at end of year	<u>\$ 584,861</u>	<u>\$ 353,196</u>	<u>\$ 938,057</u>

See Notes to Financial Statements.

TARC, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services			Supporting Services		Total
	Community Support Services	Adult Day Habilitation	Early Intervention	Management and General	Fund-raising	
Salaries and related expenses:						
Salaries	\$ 2,297,157	\$ 89,975	\$ 50,598	\$ 45,600	\$ 73,205	\$ 2,556,535
Employee benefits & taxes	291,931	9,640	8,812	686	7,836	318,905
Workers' compensation	57,187	1,869	136	11	530	59,733
	<u>\$ 2,646,275</u>	<u>\$ 101,484</u>	<u>\$ 59,546</u>	<u>\$ 46,297</u>	<u>\$ 81,571</u>	<u>\$ 2,935,173</u>
Advertisement	\$ -	\$ -	\$ -	\$ 575	\$ 965	\$ 1,540
Bank charges	-	-	-	1,164	-	1,164
Client supplies	437	-	-	5,458	-	5,895
Computer supplies	23,138	1,665	555	789	1,314	27,461
Covid-19 expenses	3,796	-	-	2,692	-	6,488
Donations	-	-	-	-	125	125
Depreciation	22,866	1,633	544	817	1,361	27,221
Dues and subscriptions	5,703	188	63	94	613	6,661
Equipment	2,375	371	53	79	132	3,010
Fees and licenses	605	800	-	8,225	-	9,630
Fund raising	-	-	-	-	20,631	20,631
Hiring	6,047	450	47	175	5	6,724
Housekeeping	1,757	125	42	63	105	2,092
Information guide and calendar	-	-	-	1,450	-	1,450
Insurance						
Liability	8,013	3,881	191	286	1,377	13,748
Directors and officers	-	-	-	3,084	-	3,084
Motor vehicle	-	7,745	-	-	-	7,745
Interest	-	-	-	9,654	-	9,654
Miscellaneous	7,897	968	139	4,737	42	13,783
Motor vehicle expenses	-	1,741	-	-	44	1,785
Office supplies	6,356	624	256	168	796	8,200
Postage	2,908	284	69	349	172	3,782
Professional services	18,937	1,353	451	676	16,127	37,544
Program supplies	6,988	274	-	-	-	7,262
Rent	43,008	3,072	1,024	1,536	74,035	122,675
Repairs and maintenance	37,765	2,077	692	1,143	1,731	43,408
Telephone and internet services	15,430	1,498	478	255	424	18,085
Travel and transportation	52,663	34,850	3,017	373	72	90,975
Seminars and training	2,247	125	5	8	451	2,836
Utilities	14,208	1,015	338	507	846	16,914
	<u>\$ 283,144</u>	<u>\$ 64,739</u>	<u>\$ 7,964</u>	<u>\$ 44,357</u>	<u>\$ 121,368</u>	<u>\$ 521,572</u>
Total expenses	<u>\$ 2,929,419</u>	<u>\$ 166,223</u>	<u>\$ 67,510</u>	<u>\$ 90,654</u>	<u>\$ 202,939</u>	<u>\$ 3,456,745</u>

See Notes to Financial Statements.

TARC, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services			Supporting Services		Total
	Community Support Services	Adult Day Habilitation	Early Intervention	Management and General	Fund-raising	
Salaries and related expenses:						
Salaries	\$ 2,153,803	\$ 78,247	\$ 49,619	\$ 50,753	\$ 59,691	\$ 2,392,113
Employee benefits & taxes	265,254	7,052	4,129	601	7,593	284,629
Workers' compensation	56,871	1,414	132	12	533	58,962
	<u>\$ 2,475,928</u>	<u>\$ 86,713</u>	<u>\$ 53,880</u>	<u>\$ 51,366</u>	<u>\$ 67,817</u>	<u>\$ 2,735,704</u>
Advertisement	\$ 195	\$ 531	\$ -	\$ 602	\$ 1,452	\$ 2,780
Bank charges	-	-	-	1,143	-	1,143
Client supplies	-	-	-	6,391	-	6,391
Computer supplies	21,069	1,959	502	764	1,759	26,053
Donations	-	-	-	-	1,246	1,246
Depreciation	7,496	452	181	271	632	9,032
Dues and subscriptions	4,057	155	62	93	650	5,017
Equipment	1,143	518	283	14	187	2,145
Fees and licenses	1,685	700	-	9,198	-	11,583
Fund raising	-	-	-	-	20,571	20,571
Hiring	9,423	840	63	307	-	10,633
Housekeeping	1,282	77	31	46	108	1,544
Information guide and calendar	-	-	-	1,294	-	1,294
Insurance						
Liability	8,158	1,136	197	295	688	10,474
Directors and officers	-	-	-	3,056	-	3,056
Motor vehicle	6,588	-	-	-	-	6,588
Interest	-	-	-	7,376	-	7,376
Miscellaneous	3,150	361	221	3,889	96	7,717
Motor vehicle expenses	-	18,480	-	-	44	18,524
Office supplies	10,185	625	453	142	9,610	21,015
Postage	2,420	144	58	331	202	3,155
Professional services	15,185	915	366	549	17,172	34,187
Program supplies	8,551	409	-	-	-	8,960
Rent	42,496	2,560	1,024	1,536	88,659	136,275
Repairs and maintenance	45,986	1,020	408	612	5,428	53,454
Telephone and internet services	17,492	1,282	588	378	881	20,621
Travel and transportation	70,871	9,824	4,108	514	175	85,492
Seminars and training	2,710	158	35	(678)	698	2,923
Utilities	14,083	848	339	509	1,188	16,967
	<u>\$ 294,225</u>	<u>\$ 42,994</u>	<u>\$ 8,919</u>	<u>\$ 38,632</u>	<u>\$ 151,446</u>	<u>\$ 536,216</u>
Total expenses	<u>\$ 2,770,153</u>	<u>\$ 129,707</u>	<u>\$ 62,799</u>	<u>\$ 89,998</u>	<u>\$ 219,263</u>	<u>\$ 3,271,920</u>

See Notes to Financial Statements.

TARC, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 655,070	\$ 187,598
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	27,221	9,032
Unrealized and realized (gain) loss on investments	(427)	(3,247)
(Increase) decrease in operating assets		
Accounts receivable	28,135	(45,197)
Promises to give	3,650	31,538
Prepaid expenses	(1,005)	-
Increase (decrease) in operating liabilities:		
Accounts payable	(893)	9,979
Other payables	5,802	9,107
Accrued salaries and payroll taxes	51,357	12,659
Net cash provided by operating activities	\$ 768,910	\$ 211,469
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	\$ (192,682)	\$ (11,291)
Purchase of certificate of deposit	-	(15,508)
Net cash used in investment activities	\$ (192,682)	\$ (26,799)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds and payments from line of credit	\$ (381)	\$ (16,135)
Principal payments on notes payable	5,497	(5,842)
Net cash used in financing activities	\$ 5,116	\$ (21,977)
Net increase (decrease) in cash and cash equivalents	\$ 581,344	\$ 162,693
Beginning cash and cash equivalents	\$ 333,009	\$ 170,316
Ending cash and cash equivalents	\$ 914,353	\$ 333,009
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for Interest	\$ 9,654	\$ 7,376

See Notes to Financial Statements.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

TARC, Inc. is a nonprofit organization which provides opportunities for children and adults with disabilities to realize their full potential, and to become self-directed and contributing citizens. The services the Organization provides to achieve this goal are as follows:

Children's Choice

The purpose of this service is to provide supplemental support services to children with disabilities, from birth to 18 years of age, who currently live at home with their families or will leave an institutional setting to return home. Services provided include: family support, crisis support, family training, diaper acquisition, environmental modification and vehicle adaptation.

Adult Day Habilitation

This program teaches skills such as, computer, life, safety, health and wellness, gardening and community integration skills for qualifying adults with special needs.

Early Intervention

Early intervention applies to children from birth to three years old who are eligible to be at risk or special need that may affect their development. Early intervention consists in the provision of services for such children and their families for the purpose of lessening the effects of the condition. Early intervention can be remedial or preventive in nature—remediation existing developmental problems or preventing their occurrence.

Financial Statement Presentation

The Organization follows the financial statement presentation recommended by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

The governing board has not designated, from net assets without donor restrictions, net assets for an operating reserve and a board-designated endowment. Net assets with donor restrictions are 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, such as those that the donor stipulates that resources be maintained in perpetuity.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (continued)

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Organization's unspent contributions are reported in net assets with donor contributions if the donor has limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted earmarked to acquire property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Basis of Accounting

The financial statements of TARC, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, TARC, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The Organization holds investments in mutual funds (Level 1 measurement) and municipal bonds (Level 2 measurement). The unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities. Investment income and gains restricted by a donor are reported as increases in temporarily restricted net assets and released to without donor restriction net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Certificates of deposit held for investment that are not debt securities are included in "investments-certificate of deposit". The certificate of deposit has a remaining maturity greater than one year and is classified as long-term investments-certificate of deposit.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of patients to meet their obligations. Receivables are considered impaired if full principal amounts are not received. In management's opinion no allowance for doubtful accounts is necessary at June 30, 2020 and 2019.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in without donor restriction net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases to the with donor restriction net assets depending on the nature of the restrictions. When a restriction expires, the with donor restricted net assets are reclassified to without donor restricted net assets. The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There was no allowance for the years ended June 30, 2020 and 2019.

Property and Equipment

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the assets. State funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in without donor restriction net assets unless the donor has restricted the donated asset 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 with donor restrictions net asset category. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies with donor restricted net assets to without donor restricted net assets at that time.

Donated Services

Contributions of donated non-cash assets are recorded at their fair market value in the period received. Contribution of donated services that create or enhance non-financial assets or that requires specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market values in the period received.

Contributions and Grants

Contributions and grants received are recorded as without donor restriction or with donor restriction depending on the existence and nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in without donor restriction net assets. All other donor restricted support is reported as an increase in with donor restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to without donor restriction net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions and grants whose restrictions are met in the same reporting period are recorded as without donor restriction contributions.

Concentrations

The Organization's primary source of revenue is Medicaid (Title XIX) revenue. For the fiscal year ended June 30, 2020 and 2019, \$3,100,277 and \$3,018,445, or 75% and 87% of the Organization's total gross revenue was from Title XIX. The Payment Protection Program grant was responsible for \$519,699 and \$0 or 13% and 0% of total revenue. Additionally, \$41,644 and \$82,338 or 1% and 2% of the Organization's total gross revenue was from contributions and \$301,471 and \$328,386 7% and 9% of the total gross revenue was from fund raising. The remaining \$79,718 and \$30,349 of the total gross revenue was from membership dues, interest and investment income and other miscellaneous income.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization did not have any unrelated business income for the years ended June 30, 2020 and 2019.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses for the years ended June 30, 2020 and 2019, were \$675 and \$2,780, respectively.

Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any specific function but provide for the overall support and direction of the Organization.

Refundable Advance

During 2020, the Organization received a restricted grant totaling \$529,699 that contained donor conditions. Since this grant is a promise, conditioned on future uncertain events, it is not recorded as contribution revenue until donor conditions are met. Funds received from the donor in advance of the conditions being met totaled \$10,000; are recorded as a refundable advance; and will subsequently be recognized as contribution revenue when donor conditions are met.

Pending Accounting Pronouncements

The FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, to update its revenue recognition standard to clarify the principles of recognizing revenues and eliminate industry-specific guidance as well as help financial statement users better understand the nature, amount, timing, and uncertainty of revenue that is recognized. The standard may be applied either retrospectively to each period presented or as a cumulative-effect adjustment as of the date of adoption. This standard will be effective for the School for annual periods beginning after December 15, 2020.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pending Accounting Pronouncements (continued)

In February 2016, the FASB issued ASU No, 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the statement of financial position as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2021.

NOTE 2. CASH AND CASH EQUIVALENTS

TARC, Inc. maintains several bank accounts at various banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) for amounts up to \$250,000 for interest bearing accounts. Cash at these institutions exceeded FDIC limits by \$574,017 and \$0 for June 30, 2020 and 2019, respectively.

NOTE 3. UNCONDITIONAL PROMISE TO GIVE

At June 30, 2020 and 2019 unconditional promises to give consisted of:

	2020	2019
United Way	\$ -	\$ 3,196
Radiothon Pledges	3,366	3,820
	\$ 3,366	\$ 7,016

The unconditional promises to give is receivable in the next fiscal year. All amounts are deemed collectible by management.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2020 and 2019 consisted of the following:

	2020	2019
Land	\$ 47,065	\$ 47,065
Buildings & improvements	402,059	402,059
Furniture & fixtures	236,209	86,775
	685,333	535,899
Less: Accumulated depreciation	(434,931)	(410,387)
	\$ 250,402	\$ 125,512

Depreciation expense totaled \$27,221 and \$9,032 for the years ended June 30, 2020 and 2019, respectively.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 5. INVESTMENTS

Long-term investments are carried at fair value and consist of the following:

	2020	2019
Municipal bonds	\$ 56,759	\$ 57,498
Mutual funds	14,300	13,138
	<u>\$ 71,059</u>	<u>\$ 70,636</u>

The following schedule summarizes the investment return in the statement of activities:

	2020	2019
Unrealized gain or (loss) on bonds	423	3,247
Interest and dividends	-	508
Total	<u>\$ 423</u>	<u>\$ 3,755</u>

NOTE 6. FAIR VALUE MEASUREMENTS

The fair value measurement accounting literature provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This 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 Organization has access to. 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. Level 3 inputs are unobservable and are based on assumptions market participants would utilize in pricing the assets.

The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with 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.

The following table sets forth by level, within the fair value hierarchy, of the Organization's assets measured at fair value for the year ended June 30, 2020:

<u>Recurring fair value measurements</u>	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Municipal bonds	\$ 56,759	\$ -	\$ 56,759	\$ -
Mutual funds	14,300	14,300	-	-
	<u>\$ 71,059</u>	<u>\$ 14,300</u>	<u>\$ 56,759</u>	<u>\$ -</u>

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 6. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy of the Organization's assets measured at fair value for the year ended June 30, 2019:

Recurring fair value measurements	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Municipal bonds	\$ 57,498	\$ -	\$ 57,498	\$ -
Mutual funds	13,138	13,138	-	-
	<u>\$ 70,636</u>	<u>\$ 13,138</u>	<u>\$ 57,498</u>	<u>\$ -</u>

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2020 and 2019.

NOTE 7. PROPERTY LEASE

The Organization maintains a cancellable lease for the space that it occupies for bingo fund raising sessions. Rental expense for the hall is \$475 per session. The Organization is also responsible for providing bingo supplies. Rental expense for the years ended June 30, 2020 and 2019 was \$71,475 and \$85,075, respectively.

NOTE 8. DONATED FACILITIES

TARC, Inc. entered into a lease agreement with the State of Louisiana on October 19, 2003 for 25 years, in which the Organization had free use of a 6,400 square foot building. The consideration was the mutual benefit, advantages, and convenience to be derived by the public in the operation of TARC, Inc. The contribution is recorded as temporarily restricted (due to time restrictions) and was measured at the present value of \$350,000, which is less than the fair market value. When the time restrictions are met, the amount will be reclassified on the statement of activities as net assets released from restrictions. The fair value rental expense is \$51,200 annually, which is recorded as an in-kind contribution on the Statement of Activities and Statement of Functional Expenses.

NOTE 9. LONG- TERM DEBT

The Organization has a note payable to Regions Bank which requires monthly principle and interest payments of \$1,086. This note payable is secured by a mortgage on the Organization's land and building.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 9. LONG- TERM DEBT (Continued)

The following schedules are a summary of long-term liability as of June 30, 2020 and 2019:

Description	June 30, 2020	Interest Rate	Current Portion	Long Term
Regions Loan	\$ 117,550	6.25%	\$ 5,748	\$ 111,802

Description	June 30, 2019	Interest Rate	Current Portion	Long Term
Regions Loan	\$ 127,550	6.25%	\$ 6,126	\$ 121,424

The following principal amounts on the mortgage loan are due over the next five years and thereafter:

Year ended June 30, 2020	Amount
2021	\$ 13,032
2022	13,032
2023	13,032
2024	13,032
Thereafter	56,893
	<u>\$ 109,021</u>

Interest expense for the years ended June 30, 2020 and 2019 was \$8,300 and \$5,191, respectively.

NOTE 10. REFUNDABLE ADVANCE

In accordance with ASC 958-605, conditional contributions aren't recognized until the conditions are substantially met or explicitly waived. In cases where conditions are met over time or in stages, contributions should be recognized as qualifying expenses are incurred.

Under this model, the proceeds from a PPP loan would initially be recognized as a refundable advance—a liability—until the conditions for forgiveness are substantially met. The borrower would subsequently recognize contribution revenue as it incurs qualifying PPP expenses, assuming all other conditions are substantially met.

On May 1, 2020, the Organization received loan proceeds in the amount of approximately \$519,699 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business.

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 10. REFUNDABLE ADVANCE (Continued)

The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%. The Organization used the proceeds for purposes consistent with the PPP forgiveness requirements. At June 30, 2020, if the loan was to be paid in accordance with the terms of the note, then monthly payments of \$423 including interest would begin on December 1, 2020 and be paid through May 1, 2022. The loan balance would increase \$56 for accrued interest. Principle payments of \$2,914 and \$7,086 would be paid for the years ended June 30, 2022 and 2023, respectively.

The Organization is accounting for the PPP loan, as a grant that is expected to be forgiven, in accordance with ASC 958-605 which contains guidance for a conditional contribution. For the year ended June 30, 2020 \$519,699 of the PPP loan was spent on salary related expenses and has met the conditions for forgiveness. The portion of the loan that has met the conditions of forgiveness is included in other income on the statement of activities.

NOTE 11. LINE OF CREDIT

The Organization has a \$85,000 line of credit bearing interest at a fixed rate of 5.250%, and is secured by a certificate of deposit for the years ended June 30, 2020 and 2019, respectively. The balance due for the years ended June 30, 2020 and 2019 was \$0 and \$381, respectively. Interest expense was \$1,354 and \$2,185, for the years ended June 30, 2020 and 2019, respectively.

The Organization also has a second line of credit for \$50,000 that was unused for the years ended June 30, 2020 and 2019. The line of credit bears an interest rate of 7.25%.

NOTE 12. ACCRUED VACATION AND LEAVE

The Organization accrues vacation and leave at various rates and number of days for long term employees. Accrued vacation and leave for the years ended June 30, 2020 and 2019 was \$9,430 and \$2,033.

NOTE 13. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2020 and 2019, TARC, Inc. had \$350,000 and \$353,196 in net assets with donor restrictions and are available for the following purposes or periods:

	2020	2019
Lease value of land and building	\$ 350,000	\$ 350,000
United Way- promise to give	-	3,196
	\$ 350,000	\$ 353,196

TARC, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 14. LIQUIDITY AND AVAILABILITY OF RESOURCES

TARC, Inc. had the following financial assets available within one year of the statement of financial position date for general expenditures for the year ended June 30, 2020:

Cash and cash equivalents	\$ 914,353
Accounts receivable	203,838
Unconditional promise to give	<u>7,016</u>
	<u>\$ 1,125,207</u>

None of the financial assets listed above are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the Statement of Financial Position. TARC, Inc. has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. As described in Note 11, TARC, Inc. also has two line of credits in the amounts of \$85,000 and \$50,000, which it could draw upon in the event of an unanticipated liquidity need.

NOTE 15. COMPENSATION

The Board of Directors serves TARC, Inc. without compensation.

NOTE 16. SUBSEQUENT EVENTS

Subsequent events were evaluated by the School through November 17, 2020, which is the date the financial statements were available to be issued. In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Organization's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the taxpayers' ability to pay the expenditures. Changes to the operating environment may increase operating costs. The future effects of these issues are unknown.



**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 of
TARC, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of TARC, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 17, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered TARC, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of TARC Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of TARC's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether TARC Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in cursive script that reads "Bernard de Franks".

November 17, 2020

TARC, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S RESULTS

YEAR ENDED JUNE 30, 2020

SUMMARY OF AUDIT RESULTS

The auditor's report expresses an unmodified opinion on the financial statements of TARC, Inc. which was prepared in accordance with generally accepted accounting principles.

No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.

No instances of noncompliance material to the financial statements of TARC, Inc. were disclosed in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Prepared in accordance with *Government Auditing Standards*.

No management letter was issued for the years ended June 30, 2020 and 2019.

TARC, Inc. did not expend more than \$750,000 in federal awards during the years ended June 30, 2020 and 2019, and therefore, is exempt from the audit requirements under the *Uniform Guidance*.

FINDINGS-FINANCIAL STATEMENTS

There were no findings for the years ended June 30, 2020 and 2019.

FINDINGS-FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

This is not applicable to the Organization for the years ended June 30, 2020 and 2019.

TARC, INC.

**SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2020**

There were no prior year findings.

TARC, INC.

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2020**

Agency Head Name: Kathleen Abels

Salary	\$ 58,690
Benefits-insurance	16,699
Benefits-term life and AD&D	168
Cell phone	660
Dues	3,500
Meals	526
Travel-mileage	1,762
	<u>\$ 82,005</u>

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Quasi-Public Agencies)

_____ (Date Transmitted)

Bernard & Franks, A Corporation of CPA's (CPA Firm Name)
4141 Veterans Blvd, Suite 313 (CPA Firm Address)
Metairie, LA 70002 (City, State Zip)

In connection with your audit of our financial statements as of TARC, Inc. and for June 30, 2020 (period of audit) for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our internal control structure as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of 9/28/2020 (date completed/date of the representations).

PART I. Agency Profile

1. Name and address of the organization.

TARC, Inc.
408 North Cypress St. Hammond, LA 70401

2. List names, addresses, and telephone numbers of entity officials. Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel.

3. Period of time covered by this questionnaire. 7/1/19 - 6/30/2020

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

501(c)(3)

5. Briefly describe the public services provided.

Offer programs and services tailored to the needs of children and adults with disabilities in inclusive environments

6. Expiration date of current elected/appointed officials' terms.

Included in attachment.

Part II. Federal, State, and Local Awards

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes No

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes No

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes No

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes No

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes No

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes No

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes No

14. We have complied with all applicable compliance requirements of all federal programs we administer,

Yes No

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes No

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes No

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes No N/A

Part III. Public Records

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes No

Part IV. Open Meetings

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes No N/A

Part V. Budget

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes [] No [] *N/A*

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes No []

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes [] No [] *N/A*

Part VI. Reporting

23. We have had our financial statements audited in a timely manner in accordance with R.S. 24:513.

Yes No []

24. We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

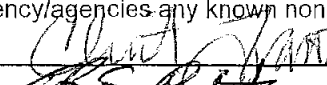
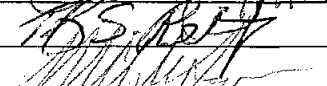
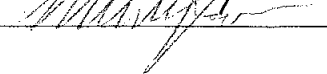
Yes No []

25. We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No []

The previous responses have been made to the best of our belief and knowledge. We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur subsequent to the issuance of your report.

	Secretary	<i>9/28/2020</i>	Date
	Treasurer	<i>9/28/2020</i>	Date
	President	<i>9/28/2020</i>	Date