

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Financial Statements**

As of and for the Years Ended June 30, 2025 (Compiled) and 2024 (Compiled)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Table of Contents**

As of and for the Years Ended June 30, 2025 (Compiled) and 2024 (Compiled)

	<u>Page</u>
Accountants' Compilation Report	1
<b>FINANCIAL STATEMENTS</b>	
Statements of Financial Position	
June 30, 2024 (Compiled)	2
June 30, 2023 (Compiled)	3
Statements of Activities	
For the Year Ended June 30, 2024 (Compiled)	4
For the Year Ended June 30, 2023 (Compiled)	5
Statements of Functional Expenses	
For the Year Ended June 30, 2024 (Compiled)	6
For the Year Ended June 30, 2023 (Compiled)	8
Statements of Cash Flows	10
Notes to the Financial Statements	11
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule 1—Combining Schedule of Financial Position	18
Schedule 2—Combining Schedule of Activities	20
Schedule 3—Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	24
Summary Status of PY Findings	25



---

1904 Stubbs Avenue, Suite B  
Monroe, LA 71201

T 318.387.2672 F 318.322.8866

← Keeping you on course! →

---

## ACCOUNTANTS' COMPILATION REPORT

**The Board of Directors  
The Arc of Ouachita (dba ARCO)  
Monroe, Louisiana**

Management is responsible for the accompanying financial statements of **The Arc of Ouachita (dba ARCO)** (a non-profit organization, the Arc), which comprise the statements of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The June 30, 2024, financial statements were compiled by us, and we expressed no opinion on them in our report dated December 31, 2025.

The supplementary information contained in Schedules 1, 2 and 3 are presented for purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

*Woodard & Associates*

(A Professional Accounting Corporation)

**December 31, 2025**

## **FINANCIAL STATEMENTS**

**THE ARC OF OUACHITA (dba ARCO)**  
Monroe, Louisiana

**Statements of Financial Position**

	<b>June 30, 2025 (Compiled)</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Assets</b>			
Cash	\$ 641,270	\$ -	\$ 641,270
Accounts receivable			
Intergovernmental	182,816	-	182,816
Services	-	-	-
United Way	-	-	-
Other	-	-	-
Property and equipment	2,297,071	388,038	2,685,109
Accumulated depreciation	(438,069)	(225,523)	(663,592)
Prepaid expenses	714	-	714
Other deposits	27,552	-	27,552
	<u>2,711,628</u>	<u>162,515</u>	<u>2,874,143</u>
Total assets	<u>\$ 2,711,628</u>	<u>\$ 162,515</u>	<u>\$ 2,874,143</u>
<b>Liabilities and net assets</b>			
<b>Current liabilities (payable from current assets)</b>			
Accounts payable	\$ 29,716	\$ -	\$ 29,716
Accrued payroll and taxes	126,044	-	126,044
Deferred revenue	62,175	-	62,175
Current portion of long-term obligations	14,032	-	14,032
Total current liabilities	<u>231,967</u>	<u>-</u>	<u>231,967</u>
<b>Long-term liabilities</b>			
Long-term obligations, net of current portion	282,521	-	282,521
Total long-term liabilities	<u>282,521</u>	<u>-</u>	<u>282,521</u>
Total liabilities	<u>514,488</u>	<u>-</u>	<u>514,488</u>
<b>Net Assets</b>			
Without donor restrictions	2,197,140	-	2,197,140
With donor restrictions	-	162,515	162,515
Total net assets	<u>2,197,140</u>	<u>162,515</u>	<u>2,359,655</u>
Total liabilities and net assets	<u>\$ 2,711,628</u>	<u>\$ 162,515</u>	<u>\$ 2,874,143</u>

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**  
Monroe, Louisiana

**Statements of Financial Position**

	<b>June 30, 2024 (Compiled)</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Assets</b>			
Cash	\$ 731,066	\$ -	\$ 731,066
Accounts receivable			-
Intergovernmental	319,427	-	319,427
Services	15,637	-	15,637
United Way	-	-	-
Other	1,972	-	1,972
Property and equipment	2,418,314	260,655	2,678,969
Accumulated depreciation	(431,404)	(243,699)	(675,103)
Prepaid expenses	5,019	-	5,019
Other deposits	27,552	-	27,552
			-
Total assets	\$ 3,087,583	\$ 16,956	\$ 3,104,539
<b>Liabilities and net assets</b>			
<b>Current liabilities (payable from current assets)</b>			
Accounts payable	\$ 160,146	\$ -	\$ 160,146
Accrued payroll and taxes	145,069	-	145,069
Deferred revenue	-	-	-
Current portion of long-term obligations	13,269	-	13,269
Total current liabilities	318,484	-	318,484
<b>Long-term liabilities</b>			
Long-term obligations, net of current portion	296,505	-	296,505
Total long-term liabilities	296,505	-	296,505
Total liabilities	614,989	-	614,989
<b>Net Assets</b>			
Without donor restrictions	2,472,593	-	2,472,593
With donor restrictions	-	16,956	16,956
Total net assets	2,472,593	16,956	2,489,549
Total liabilities and net assets	\$ 3,087,583	\$ 16,956	\$ 3,104,539

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statements of Activities**

For the Years Ended

	<b>June 30, 2025 (Compiled)</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues, gains and other support</b>			
Intergovernmental	\$ 3,198,848	\$ -	3,198,848
Charges for services	95,856	-	95,856
Contributions and grants	70,934	143,688	214,622
United Way allocation	29,578	-	29,578
Membership dues	104,041	-	104,041
Contributions and net revenue from Special events			
Contributions	64,854	-	64,854
Sale of fixed assets	(15,194)	-	(15,194)
Other revenues	-	-	-
Other revenue - Employee Retention Credit	76,723	-	76,723
<b>Total</b>	<b>3,625,640</b>	<b>143,688</b>	<b>3,769,328</b>
Net assets released from restrictions	(1,871)	1,871	-
Revenues, gains and other support	<b>3,623,769</b>	<b>145,559</b>	<b>3,769,328</b>
<b>Expenses</b>			
Program services			
Supported employment	186,675	-	186,675
Day habilitation	307,304	-	307,304
Supported work contracts	-	-	-
Supported living	2,412,569	-	2,412,569
Community home			
Mallard Home	310,556	-	310,556
<b>Total program services</b>	<b>3,217,104</b>	<b>-</b>	<b>3,217,104</b>
Supporting services			
Management and general	634,295	-	634,295
Fundraising	47,822	-	47,822
<b>Total supporting services</b>	<b>682,117</b>	<b>-</b>	<b>682,117</b>
Total expenses	<b>3,899,221</b>	<b>-</b>	<b>3,899,221</b>
<b>Increase (decrease) in net assets</b>	<b>(275,452)</b>	<b>145,559</b>	<b>(129,893)</b>
<b>Net assets at beginning of year</b>	<b>2,472,592</b>	<b>16,956</b>	<b>2,489,548</b>
<b>Net assets at end of year</b>	<b>\$ 2,197,140</b>	<b>\$ 162,515</b>	<b>2,359,655</b>

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statements of Activities**

For the Years Ended

	<b>June 30, 2024 (Compiled)</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues, gains and other support</b>			
Intergovernmental	\$ 3,320,365	\$ -	3,320,365
Charges for services	147,601	-	147,601
Contributions and grants	262,597	-	262,597
United Way allocation	11,663	-	11,663
Membership dues	30,266	-	30,266
Contributions and net revenue from Special events			-
Contributions	208,865	-	208,865
Sale of fixed assets	-	-	-
Other revenues	-	-	-
Other revenue - Employee Retention Credit	703,378	-	703,378
<b>Total</b>	<b>4,684,735</b>	<b>-</b>	<b>4,684,735</b>
Net assets released from restrictions	40,017	(40,017)	-
Revenues, gains and other support	4,724,752	(40,017)	4,684,735
<b>Expenses</b>			
Program services			
Supported employment	187,333	-	187,333
Day habilitation	288,172	-	288,172
Supported work contracts	-	-	-
Supported living	2,918,013	-	2,918,013
Community home			-
Mallard Home	334,014	-	334,014
<b>Total program services</b>	<b>3,727,532</b>	<b>-</b>	<b>3,727,532</b>
Supporting services			
Management and general	824,775	-	824,775
Fundraising	146,878	-	146,878
<b>Total supporting services</b>	<b>971,653</b>	<b>-</b>	<b>971,653</b>
Total expenses	4,699,185	-	4,699,185
<b>Increase (decrease) in net assets</b>	<b>25,567</b>	<b>(40,017)</b>	<b>(14,450)</b>
<b>Net assets at beginning of year</b>	<b>2,447,025</b>	<b>56,973</b>	<b>2,503,998</b>
<b>Net assets at end of year</b>	<b>\$ 2,472,592</b>	<b>\$ 16,956</b>	<b>2,489,548</b>

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statement of Functional Expenses**

For the Year Ended June 30, 2025 (Compiled)

**Program Services**

	<u>Supported Employment</u>	<u>Day Habilitation</u>	<u>Supported Work Contracts</u>	<u>Supported Living</u>	<u>Mallard Home</u>
Salaries	\$ 110,762	\$ 176,648	\$ -	\$ 1,822,540	\$ 165,678
Payroll taxes	8,605	14,109	-	144,846	13,208
Pension	1,041	865	-	14,056	2,018
Total salaries and related expenses	120,408	191,622	-	1,981,442	180,904
Dues and subscriptions	-	-	-	-	-
Food	815	3,565	-	3,929	7,705
Insurance	20,474	30,792	-	137,921	14,104
Interest	23	36	-	375	-
Licenses and inspections	314	87	-	1,883	620
Maintenance	10,575	4,453	-	13,427	3,836
Medical	166	1,308	-	9,208	2,877
Miscellaneous	6,065	9,454	-	81,073	31,209
Office supplies and postage	405	559	-	4,438	272
Professional fees	1,094	206	-	31,275	7,750
Public awareness	2,117	2,530	-	11,601	323
Rent	737	729	-	10,614	780
Supplies	397	5,397	-	3,544	6,341
Taxes	-	-	-	-	-
Telephone	2,930	5,673	-	28,867	8,299
Training	3,759	45	-	1,444	32,776
Transportation	4,136	10,565	-	4,117	1,513
Travel	857	675	-	15,824	101
Utilities	3,122	2,976	-	14,921	7,009
Total	178,394	270,672	-	2,355,903	306,419
Depreciation of buildings and equipment	8,281	36,632	-	56,666	4,137
Total functional expenses	\$ <u>186,675</u>	\$ <u>307,304</u>	\$ <u>-</u>	\$ <u>2,412,569</u>	\$ <u>310,556</u>

(continued)

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statement of Functional Expenses**

For the Year Ended June 30, 2025 (Compiled)

	<u>Program Services</u>		<u>Supporting Services</u>		
	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	<u>Total Expenses</u>
Salaries	\$ 2,275,628	\$ 360,672	\$ 10,605	\$ 371,277	\$ 2,646,905
Payroll taxes	180,768	27,861	836	28,697	209,465
Pension	17,980	9,383	245	9,628	27,608
Total salaries and related expenses	<u>2,474,376</u>	<u>397,916</u>	<u>11,686</u>	<u>409,602</u>	<u>2,883,978</u>
Dues and subscriptions	-	13,929	55	13,984	13,984
Food	16,014	1,619	303	1,922	17,936
Insurance	203,291	47,490	23	47,513	250,804
Interest	434	20,235	-	20,235	20,669
Licenses and inspections	2,904	40	-	40	2,944
Maintenance	32,291	3,332	-	3,332	35,623
Medical	13,559	1,021	-	1,021	14,580
Miscellaneous	127,801	56,701	28,803	85,504	213,305
Office supplies and postage	5,674	2,341	4,624	6,965	12,639
Professional fees	40,325	43,371	-	43,371	83,696
Public awareness	16,571	2,155	375	2,530	19,101
Rent	12,860	3,748	1,028	4,776	17,636
Supplies	15,679	1,580	307	1,887	17,566
Taxes	-	-	-	-	-
Telephone	45,769	7,462	142	7,604	53,373
Training	38,024	413	476	889	38,913
Transportation	20,331	-	-	-	20,331
Travel	17,457	126	-	126	17,583
Utilities	28,028	8,413	-	8,413	36,441
Total	<u>3,111,388</u>	<u>611,892</u>	<u>47,822</u>	<u>659,714</u>	<u>3,771,102</u>
Depreciation of buildings and equipment	<u>105,716</u>	<u>22,403</u>	<u>-</u>	<u>22,403</u>	<u>128,119</u>
Total functional expenses	\$ <u>3,217,104</u>	\$ <u>634,295</u>	\$ <u>47,822</u>	\$ <u>682,117</u>	\$ <u>3,899,221</u> (concluded)

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statement of Functional Expenses**  
For the Year Ended June 30, 2024 (Compiled)**Program Services**

	<b>Supported Employment</b>	<b>Day Habilitation</b>	<b>Supported Work Contracts</b>	<b>Supported Living</b>	<b>Mallard Home</b>
Salaries	\$ 91,152	\$ 81,095	\$ -	\$ 1,957,359	\$ 146,736
Payroll taxes	6,996	6,150	-	157,478	11,631
Pension	901	259	-	16,720	1,775
Total salaries and related expenses	99,050	87,504	-	2,131,558	160,142
Dues and subscriptions	455	(4)	-	172	42
Food	909	2,824	-	7,001	11,586
Insurance	14,436	12,125	652	121,833	14,238
Interest	60	13	1,375	110	18
Licenses and inspections	434	14	-	510	806
Maintenance	19,137	6,302	3,440	48,532	5,158
Medical	620	440	-	13,639	4,048
Miscellaneous	219	161	-	5,057	24,284
Office supplies and postage	549	425	-	3,283	291
Professional fees	165	169	-	37,113	4,759
Public awareness	135	2,186	-	11,783	441
Rent	11,309	11,695	-	36,646	2,140
Supplies	386	5,529	-	4,237	6,627
Taxes	8,170	-	-	-	-
Telephone	10,566	3,499	345	55,702	3,305
Training	1,105	51	-	14,940	5,027
Transportation	4,512	2,779	-	6,409	1,914
Travel	269	32	-	20,763	29
Utilities	3,445	8,643	2,084	16,727	12,657
Total	175,928	144,387	7,896	2,536,016	257,511
Depreciation of buildings and equipment	14,524	11,385	-	258	927
Total functional expenses	\$ 190,452	\$ 155,773	\$ 7,896	\$ 2,536,274	\$ 258,439

(continued)

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statement of Functional Expenses**

For the Year Ended June 30, 2024 (Compiled)

	<u>Program Services</u>	<u>Supporting Services</u>			
	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Supporting Services</u>	<u>Total Expenses</u>
Salaries	\$ 2,276,342	\$ 274,586	\$ 67,938	\$ 373,031	\$ 2,649,373
Payroll taxes	182,255	20,928	5,452	27,675	209,930
Pension	19,656	5,481	1,394	8,215	27,871
Total salaries and related expenses	2,478,253	300,995	107,926	408,921	2,887,174
Dues and subscriptions	665	15,931	44	15,968	16,633
Food	22,320	2,094	1,146	2,617	24,937
Insurance	163,284	39,466	1,353	43,613	206,897
Interest	1,576	139	46	139	1,715
Licenses and inspections	1,764	259	103	259	2,023
Maintenance	82,569	38,760	1,164	42,059	124,628
Medical	18,746	1,769	-	1,932	20,678
Miscellaneous	29,721	61,193	82,970	68,287	98,008
Office supplies and postage	4,547	5,193	8,048	9,514	14,061
Professional fees	42,205	76,496		78,495	120,700
Public awareness	14,546	17,423	3,946	22,183	36,729
Rent	61,790	44,163	1,968	50,365	112,155
Supplies	16,779	(367)	2,695	1,779	18,558
Taxes	8,170	-	-	-	8,170
Telephone	73,418	4,958	3,651	6,775	80,193
Training	21,123	537	484	567	21,690
Transportation	15,614	(4)	-	-	15,614
Travel	21,093	742	554	953	22,046
Utilities	43,556	24,013	3,464	26,049	69,605
Total	3,121,739	633,760	146,715	780,475	3,902,214
Depreciation of buildings and equipment	27,095	32,177	7,048	32,340	59,435
Total functional expenses	\$ 3,148,833	\$ 665,938	\$ 146,878	\$ 812,816	\$ 3,961,649

(concluded)

The accompanying notes are an integral part of these statements.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Statements of Cash Flows****For the Years Ended  
June 30,**

	<u>2025 (Compiled)</u>	<u>2024 (Compiled)</u>
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets	\$ (129,893)	\$ (14,450)
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities		
Non cash contribution of property and equipment	(143,668)	-
Depreciation	128,119	121,874
Gain or loss on sale of property and equipment	(17,788)	-
Changes in assets and liabilities		
Accounts receivable	154,220	(9,376)
Other assets	4,305	556,967
Accounts payable and accrued expenses	(149,455)	36,052
Deferred revenue	62,175	-
Total Adjustments	<u>37,908</u>	<u>705,513</u>
Net cash provided (used) by operating activities	<u>(91,985)</u>	<u>691,063</u>
<b>Cash flows from investing activities</b>		
Property and equipment additions	(182,515)	(1,157,587)
Disposal of property and equipment	176,375	-
Proceeds from sales of property and equipment	21,550	-
Net cash provided (used) by investing activities	<u>15,410</u>	<u>(1,157,587)</u>
<b>Cash flows from financing activities</b>		
Payments on notes payable	(13,221)	(271,822)
Receipt of new notes payable	-	-
Net cash provided (used) by financing activities	<u>(13,221)</u>	<u>(271,822)</u>
<b>Net increase (decrease) in cash</b>	<u>(89,796)</u>	<u>(738,346)</u>
<b>Cash at beginning of year</b>	<u>731,066</u>	<u>1,469,411</u>
<b>Cash at end of year</b>	<u>\$ 641,270</u>	<u>\$ 731,066</u>
<b>Supplemental disclosures</b>		
Cash paid for interest	<u>\$ 20,669</u>	<u>\$ 18,567</u>
Non-cash investing & operating activities		
Revenue and expense of non-cash contribution	<u>\$ 144,281</u>	<u>\$ 106,631</u>

The accompanying notes are an integral part of these statements.

# **THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

## **Notes to the Financial Statements**

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

### **INTRODUCTION**

The Arc of Ouachita (dba ARCO) (the Arc) was established in 1954 to promote the general welfare of all persons with developmental disabilities within its service area which generally includes the Northeast portion of Louisiana. The programs are designed to assist and train clients to become independent citizens within the Arc's service area. The principal programs consist of vocational training, residential living.

### **Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. BASIS OF PRESENTATION**

The financial statements have been prepared on an accrual basis in conformity with Generally Accepted Accounting Principles (GAAP) and are presented as recommended by the Financial Accounting Standards Board (FASB) in ASC 958-205, *Not For Profit Entities-Presentation of Financial Statements*.

#### **B. CHANGE IN ACCOUNTING PRINCIPLE**

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position. The Arc has adopted this guidance, as applicable, in its June 30, 2023 financial statements.

#### **C. CONTRIBUTIONS-CASH**

In accordance with ASC 958-605, *Not For Profit Entities-Revenue Recognition*, contributions received are recorded as with donor restrictions or without donor restrictions depending on the existence of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases that net assets class. When a qualifying expenditure occurs, or a time restriction expires, assets with donor restrictions are recognized in net assets without donor restrictions as "net assets released from restrictions" in the statement of activities. If a restriction is fulfilled in the same period in which the contribution is received, the contribution is reported as without donor restrictions.

#### **D. CONTRIBUTIONS-NONCASH**

Members, agencies, businesses, volunteers and others contribute substantial services toward the fulfillment of projects initiated by the Arc. No amounts have been recognized in the Statement of Activities for these contributions because the criteria for recognition under ASC 958-605 have not been satisfied.

## **THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

### **Notes to the Financial Statements**

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

Other non-cash contributions of goods and services including rent have been recognized in the financial statements as revenue of the net assets without donor restrictions class unless explicit donor stipulations specify how the contributions must be used.

#### **E. ACCOUNTS RECEIVABLE**

Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States of America require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

#### **F. ALLOCATION AND FUNCTIONAL EXPENSES**

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases. The Arc records its expenses in several ways: direct, indirect and central office overhead (COO). Direct costs are the total costs of direct support where staff is paid for only that program. Indirect costs are of two types. Level I indirect costs are salary expenses of an employee whose activities are shared between more than one program in the same department. Level II indirect costs are salary expenses shared between more than one department. COO expenses represent the Supporting Services costs.

#### **G. PROGRAMS**

The Arc's principal programs, and primary funding sources are:

Supported Employment – This income is derived primarily from the Louisiana Department of Health through two Medicaid Waivers, the NOW and the Supports Waiver. These funds are used to train clients in vocational activities and supportive services. Also, some income is derived from the Louisiana Workforce Commission, Office of Louisiana Rehabilitative Services which specifically provides vocational training support to clients placed in jobs within the community.

Day Habilitation (Community Ventures beginning in FY 2023) - provides meaningful non-workday activities to men and women and is funded by Medicaid's NOW and Supports Waivers as well.

## THE ARC OF OUACHITA (dba ARCO)

Monroe, Louisiana

### Notes to the Financial Statements

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

Supported Work Contracts - Supported Work Contract's income is derived from document destruction services by one client.

Supported Living - Supported Living's primary income is derived from the Louisiana Department of Health. Medicaid NOW Waiver. This home and community-based program helps the individual clients become more independent by providing support and training in their personal residences within the community. State funds for those without Medicaid Waivers are provided by the Office for Citizens with Developmental Disabilities, and some individuals are private pay.

Mallard Home – Mallard Home’s income is derived from the Louisiana Department of Health. Intermediate Care Facility for the Developmentally Disabled (ICF/DD) Medicaid Program. Clients pay a pro-rata share of the costs based on their income. This program provides clients with a home environment within the community and helps them become more independent citizens.

#### H. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. All donated property and equipment are recorded at fair market value on the date of the donation. The Arc capitalizes all property and equipment valued at \$1,000 or more and an estimated useful life of one year or more. Depreciation is computed on a straight-line basis over the useful lives of the property and equipment using the following estimated lives:

	<u>Years</u>
Buildings	15 - 30
Furniture and Equipment	3 - 10
Vehicles	5

#### I. COMPENSATED ABSENCES

The Arc’s vacation policy provides for the carryover of vacation to the subsequent year under special circumstances, but that carryover is limited to a ceiling not to exceed 10 days. There was no vacation time to accrue for the years ended June 30, 2025, and 2024. Sick days may be accumulated to a maximum of 6 days; however, employees are not paid for any unused sick days upon termination and therefore an accrual for sick leave is not reflected in the financial statements.

#### J. TAX-EXEMPT STATUS

The Arc is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, has no provision for Federal income taxes. Contributions to the Arc are tax deductible within the limitations prescribed by the Code. The Arc is subject to income tax examinations by the IRS and the Louisiana

## **THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

### **Notes to the Financial Statements**

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

Department of Revenue; however, there are currently no examinations in progress for any tax periods. The Arc is subject to income tax examinations for the years ended June 30, 2015 and after.

#### **K. CASH AND CASH EQUIVALENTS**

For purposes of the Statement of Cash Flows, the Arc considers demand deposits, time deposits and certificates of deposit with an original maturity of three months or less to be cash equivalents.

#### **L. ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **M. RECLASSIFICATIONS**

Minor reclassifications have been made to the financial statements to make them comparable to the current year presentation.

#### **N. GRANTS**

The ARC has opted to not implement FASB accounting methods for the recording of grant revenue due to the limited amount received by the organization.

#### **Note 2 CASH**

The Arc's (bank balance) at June 30, 2024, was \$641,270 of which (\$663,673) was insured by the Federal Deposit Insurance Corporation (FDIC) and (\$86,605) is unsecured. The Arc has not experienced any losses due to unsecured cash balances and management does not believe it is exposed to significant risk.

#### **Note 3 LIQUIDITY AND AVAILABILITY OF RESOURCES**

At June 30, 2025, all of the Arc's cash balance was available for general expenditure needs. The Arc has no policy to invest cash in excess of daily requirements or structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.

**THE ARC OF OUACHITA (dba ARCO)**  
Monroe, Louisiana

**Notes to the Financial Statements**

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

**Note 4    PROPERTY AND EQUIPMENT**

Property and Equipment consisted of the following:

	June 30,	
	2025	2024
Buildings and Improvements	\$ 1,918,758	\$ 1,906,629
Furniture and Equipment	136,676	246,209
Vehicles	484,526	380,981
Land	145,150	145,150
Less: Accumulated Depreciation	(103,661)	(675,103)
Net Property and Equipment	\$ 2,581,449	\$ 2,003,866

Included in vehicles above are six vehicles that were acquired through Federal grants along with 20% matching funds from the Arc. The Arc retains the use of these vehicles as long as they are kept, maintained and used for the Arc's designated purpose. These vehicles are not to be sold or disposed of either during their useful life (5 years or 100,000 miles) or without the state's permission; therefore, these vehicles net of related depreciation along with the related net assets are shown as donor restrictions within the financials.

The owned properties at 900 North 3rd Street and 2103 Tower Drive, both in Monroe, LA were sold for \$150,000 on July 28, 2022 and \$250,000 on August 12, 2022, respectively. Additionally, property at 3101 Mercedes Drive, Monroe, LA 71201 was purchased for \$900,000 Cash on September 14, 2022. Modifications and renovations are needed for this building which will be funded by a Line of Credit/Mortgage Loan from Cross Keys Bank.

**Note 5    NOTES PAYABLE**

In January 2014, the Arc borrowed \$300,000 for the purchase and modification of a building for Shred operations. In the year ended June 30, 2023, this loan was paid in full after the building that was purchased was sold. In February of 2023, The Arc borrowed \$22,659 for the purchase of a 23 Toyota Tacoma. The future maturity for this debt is as follows:

Year Ended June 30,	Principal
2025	\$ 5,651
2026	5,867
2027	3,433
Total	\$ 14,951

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Notes to the Financial Statements**

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

The line of credit issued by Capital One Bank was converted into a mortgage for the property at 3101 Mercedes Drive, Monroe, LA 71201. It retains a balance of \$287,140 at the end of fiscal year 2024.

**Note 6 DONOR RESTRICTED NET ASSETS**

The following summarizes net assets that are donor restricted:

	June 30,	
	<u>2025</u>	<u>2024</u>
Accounts Receivable - United Way	\$ -	\$ -
Vehicles - DOTD	388,038	260,655
Less: Accumulated Depreciation	<u>225,523</u>	<u>(243,699)</u>
Total	<u>\$ 162,515</u>	<u>\$ 16,956</u>

**Note 7 DISCLOSURES ABOUT CONCENTRATIONS, COMMITMENTS, AND CONTINGENCIES**

The Arc receives the majority of its revenue based on contracts with various Federal and state agencies. These contracts are subject to review by the respective agencies which could result in disallowed costs. Additionally, funding levels are subject to review on a periodic basis by the grantor agencies, which could result in changes in funding levels.

**Note 8 OPERATING LEASES**

Total rent expense was \$17,636 and \$77,858 for the years ended June 30, 2025, and 2024, respectively. The Arc has several lease commitments. However, these leases are either on a month-to-month basis or contain “funding-out” clauses which allow the agreements to be cancelled.

**Note 9 TAX DEFERRED ANNUITY PLAN**

The Arc offers its employees a tax deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers employees of the Arc. The Arc will match up to 3% of gross salaries of qualified employees who elect to participate in the plan. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code.

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Notes to the Financial Statements**

As of and for the Year Ended June 30, 2025 (Compiled) and 2024 (Compiled)

The Arc contributed \$34,663 and \$27,871 on behalf of the participants for the years ended June 30, 2024 and 2023, respectively.

**Note 10 EMPLOYER RETENTION CREDIT**

In 2021 The Arc applied for the government offered Employer Retention Credit program. This program was for the purpose of supporting businesses through the financial hardships imposed by the Covid-19 pandemic by providing supplemental monetary aid in the form of payroll expense reimbursement. According to FASB Subtopic 958-605, Not-for-Profit Entities --- Revenue Recognition, revenue for this program would not be recognized until reasonable assurance is granted to the organization that is to receive the revenue. Therefore, the ARC considered receipt of the approval letter as fulfilling the reasonable assurance requirement to recognize the Employer Retention Credit Revenue.

**Note 11 SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 1, 2025, the date the financial statements were available to be issued and determined that certain events occurred that require disclosure.

- In July of 2024 repairs to the roof of the Arc's building located at 113 Arkansas Ave were completed. Repairs amounted to \$13,205 requiring capitalization in next year's financial statements.

**SUPPLEMENTARY INFORMATION**

**THE ARC OF OUACHITA (dba ARCO)**  
Monroe, Louisiana

**Combining Schedule of Financial Position**  
June 30, 2025 (Compiled)

	<b>Schedule 1</b>			
	<u>Supporting Services</u>	<u>Supported Employment</u>	<u>Program Services</u>	
			<u>Day Habilitation</u>	<u>Supportive Work Contracts</u>
<b>Assets</b>				
Cash	\$ 641,190	\$ -	\$ -	\$ -
Accounts receivable				
Intergovernmental	1,204	4,142	17,190	-
Services	-	-	-	-
Contributions	-	-	-	-
United Way	-	-	-	-
Other	-	-	-	-
Due from other funds	442,280	473	-	-
Property and equipment	1,896,067	-	291,978	-
Accumulated depreciation	(302,775)	-	(104,959)	-
Prepaid expenses	393	-	-	-
Other deposits	25,150	-	-	-
<b>Total assets</b>	<b>\$ <u>2,703,509</u></b>	<b>\$ <u>4,614</u></b>	<b>\$ <u>204,209</u></b>	<b>\$ <u>-</u></b>
<b>Liabilities and net assets</b>				
<b>Current liabilities (payable from current assets)</b>				
Accounts payable	\$ 7,951	\$ 1,413	\$ 2,236	\$ -
Due to other funds	-	-	185,647	-
Accrued payroll and taxes	39,360	3,197	6,495	-
Deferred revenue	-	-	10,000	-
Current portion of long-term obligations	14,032	-	-	-
Total current liabilities	<u>61,333</u>	<u>4,615</u>	<u>204,209</u>	<u>-</u>
<b>Long-term liabilities</b>				
Long-term obligations, net of current portion	282,521	-	-	-
Total long-term liabilities	<u>282,521</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>343,854</u>	<u>4,615</u>	<u>204,209</u>	<u>-</u>
<b>Net assets</b>				
Without donor restrictions	2,197,140	-	-	-
With donor restrictions	162,515	-	-	-
Total net assets	<u>2,359,655</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and net assets</b>	<b>\$ <u>2,703,509</u></b>	<b>\$ <u>4,615</u></b>	<b>\$ <u>204,209</u></b>	<b>\$ <u>-</u></b>

Continued

**THE ARC OF OUACHITA (dba ARCO)**  
Monroe, Louisiana

**Combining Schedule of Financial Position(Concluded)**  
June 30, 2025 (Compiled)

**Schedule 1**

	Program Services		
	Supported Living	Mallard Home	Total All Funds
Cash	\$ -	\$ 80	\$ 641,270
Accounts receivable			
Intergovernmental	135,918	24,362	182,816
Services	-	-	-
Contributions	-	-	-
United Way	-	-	-
Other	-	-	-
Due from other funds	-	-	442,753
Property and equipment	372,007	125,057	2,685,109
Accumulated depreciation	(149,730)	(106,128)	(663,592)
Prepaid expenses	-	321	714
Other deposits	2,402	-	27,552
	<u>360,597</u>	<u>43,692</u>	<u>3,316,621</u>
<b>Total assets</b>	<b>\$ <u>360,597</u></b>	<b>\$ <u>43,692</u></b>	<b>\$ <u>3,316,621</u></b>
<b>Liabilities and nets assets</b>			
<b>Current liabilities (payable from current assets)</b>			
Accounts payable	\$ 11,218	\$ 6,898	\$ 29,716
Due to other funds	227,156	29,676	442,480
Accrued payroll and taxes	69,879	7,113	126,044
Deferred revenue	52,175	-	62,175
Current portion of long-term obligations	-	-	14,032
Total current liabilities	<u>360,597</u>	<u>43,692</u>	<u>674,446</u>
<b>Long-term liabilities</b>			
Long-term obligations, net of current portion	-	-	282,521
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>282,521</u>
Total liabilities	<u>360,597</u>	<u>43,692</u>	<u>956,967</u>
<b>Net assets</b>			
Without donor restrictions	-	-	2,197,140
With donor restrictions	-	-	162,515
Total net assets	<u>-</u>	<u>-</u>	<u>2,359,655</u>
	<u>360,597</u>	<u>43,692</u>	<u>3,316,622</u>
<b>Total liabilities and net assets</b>	<b>\$ <u>360,597</u></b>	<b>\$ <u>43,692</u></b>	<b>\$ <u>3,316,622</u></b>

**THE ARC OF OUACHITA (dba ARCO)**  
Monroe, Louisiana

**Combining Schedule of Activities**  
For the Year Ended June 30, 2025 (Compiled)  
With Comparative Totals for the Year Ended June 30, 2024 (Compiled)

**Schedule 2**

	<b>Program Services</b>			
	<u>Supporting Services</u>	<u>Supported Employment</u>	<u>Day Habilitation</u>	<u>Supportive Work Contracts</u>
<b>Support and revenue</b>				
Intergovernmental	\$ 36,132	\$ 95,345	\$ 265,353	\$ -
Charges for services	-	-	30,496	-
Contributions and grants	38,434	4,500	143,689	-
United Way allocation	3,799	25,779	-	-
Membership dues	104,041	-	-	-
Contributions and net revenues from Special events				
Contributions	64,854	-	-	-
Sale of fixed assets	(26,994)	11,800	-	-
Other revenues	63,523	-	-	-
Total support and revenue	<u>283,789</u>	<u>137,424</u>	<u>439,538</u>	<u>-</u>
<b>Expenses</b>				
Depreciation and amortization	4,920	9,119	38,033	-
Dues and subscriptions	7,859	319	431	-
Food	1,771	823	3,575	-
Insurance	2,173	22,763	34,251	-
Interest	20,235	23	36	-
Licenses and inspections	40	314	87	-
Maintenance	944	10,697	4,628	-
Medical	138	209	1,379	-
Miscellaneous	34,304	8,639	13,469	-
Office supplies and postage	5,022	499	718	-
Payroll taxes	3,017	9,875	16,124	-
Pension	1,082	1,467	1,532	-
Professional fees	601	2,932	3,578	-
Public awareness	796	2,163	2,680	-
Rent	1,100	915	1,020	-
Salaries	38,572	127,222	202,755	-
Supplies	1,130	435	5,455	-
Taxes	-	-	-	-
Telephone	1,489	3,230	6,152	-
Training	773	3,805	45	-
Transportation	-	4,136	10,565	-
Travel	126	857	675	-
Utilities	1,959	3,430	3,487	-
Total expenses	<u>\$ 128,051</u>	<u>\$ 213,872</u>	<u>\$ 350,675</u>	<u>\$ -</u>
<b>Excess (deficiency) of revenues over expenses</b>	155,738	(76,448)	88,863	-

(continued)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Combining Schedule of Activities (Concluded)**

For the Year Ended June 30, 2025 (Compiled)

With Comparative Totals for the Year Ended June 30, 2024 (Compiled)

	<b>Schedule 2</b>		<b>Total June 30,</b>	
	<b>Program Services</b>			
	<u>Supported</u>	<u>Mallard</u>	<u>2025 (Compiled)</u>	<u>2024 (Compiled)</u>
	<u>Living</u>	<u>Home</u>		
<b>Support and revenue</b>				
Intergovernmental	\$ 2,516,018	\$ 286,000	\$ 3,198,848	\$ 3,320,365
Charges for services	22,884	42,476	95,856	147,601
Contributions and grants	27,949	50	214,622	262,597
United Way allocation	-	-	29,578	11,663
Membership dues	-	-	104,041	30,266
Contributions and net revenues from Special events				
Contributions	-	-	64,854	208,865
Costs of direct benefit to donors	-	-	(15,194)	-
Other revenues	13,200	-	76,723	703,378
Total support and revenue	<u>2,580,051</u>	<u>328,526</u>	<u>3,769,328</u>	<u>4,684,735</u>
<b>Expenses</b>				
Depreciation and amortization	70,650	5,397	128,119	121,874
Dues and subscriptions	4,948	427	13,984	20,004
Food	4,052	7,715	17,936	20,367
Insurance	174,300	17,317	250,804	250,594
Interest	375	-	20,669	18,567
Licenses and inspections	1,883	620	2,944	2,298
Maintenance	15,357	3,997	35,623	50,798
Medical	9,914	2,940	14,580	17,805
Miscellaneous	122,062	34,831	213,305	279,991
Office supplies and postage	5,992	408	12,639	16,157
Payroll taxes	165,413	15,036	209,465	247,379
Pension	20,901	2,626	27,608	34,663
Professional fees	65,768	10,817	83,696	113,923
Public awareness	13,082	380	19,101	41,359
Rent	13,557	1,044	17,636	77,858
Salaries	2,089,008	189,348	2,646,905	3,150,002
Supplies	4,153	6,393	17,566	18,936
Taxes	-	-	-	-
Telephone	33,769	8,733	53,373	75,140
Training	1,444	32,846	38,913	47,255
Transportation	4,117	1,513	20,331	19,647
Travel	15,824	101	17,583	20,789
Utilities	20,098	7,467	36,441	53,779
Total Expenses	<u>\$ 2,856,667</u>	<u>\$ 349,956</u>	<u>\$ 3,899,221</u>	<u>\$ 4,699,185</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	(276,616)	(21,430)	(129,893)	(14,450)

(concluded)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Combining Schedule of Activities**

For the Year Ended June 30, 2025 (Compiled)

With Comparative Totals for the Year Ended June 30, 2024 (Compiled)

**Schedule 2**

	<b>Program Services</b>			
	<b>Supporting Services</b>	<b>Supported Employment</b>	<b>Day Habilitation</b>	<b>Supportive Work Contracts</b>
<b>Other financing sources (uses)</b>				
Operating transfers in	\$ -	\$ 76,448	\$ (88,863)	\$ -
Operating transfers (out)	<u>(285,631)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(285,631)</u>	<u>76,448</u>	<u>(88,863)</u>	<u>-</u>
<b>Increase (decrease) in net assets</b>	(129,893)	-	-	-
<b>Net assets at beginning of year</b>	<u>2,489,548</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net assets at end of year</b>	\$ <u><u>2,359,655</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

(continued)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Combining Schedule of Activities(Concluded)**

For the Year Ended June 30, 2025 (Compiled)

With Comparative Totals for the Year Ended June 30, 2024 (Compiled)

**Schedule 2**

	<u>Program Services</u>		<u>Total June 30,</u>	
	<u>Supported Living</u>	<u>Mallard Home</u>	<u>2025 (Compiled)</u>	<u>2024 (Compiled)</u>
<b>Other financing sources (uses)</b>				
Operating transfers in	\$ 276,616	\$ 21,430	\$ 285,631	\$ 682,177
Operating transfers (out)	<u>-</u>	<u>-</u>	<u>(285,631)</u>	<u>(682,177)</u>
Total other financing sources (uses)	<u>276,616</u>	<u>21,430</u>	<u>-</u>	<u>-</u>
<b>Increase (decrease) in net assets</b>	-	-	(129,893)	(14,450)
<b>Net assets at beginning of year</b>	<u>-</u>	<u>-</u>	<u>2,489,548</u>	<u>2,503,998</u>
<b>Net assets at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,359,655</u>	<u>\$ 2,489,548</u>

(concluded)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Combining Schedule of Activities**

For the Year Ended June 30, 2025 (Compiled)

With Comparative Totals for the Year Ended June 30, 2024 (Compiled)

**Schedule 2**

	<b>Program Services</b>			
	<b>Supporting Services</b>	<b>Supported Employment</b>	<b>Day Habilitation</b>	<b>Supportive Work Contracts</b>
<b>Other financing sources (uses)</b>				
Operating Transfers In	-	76,448	(88,863)	-
Operating Transfers (Out)	<u>(285,631)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(285,631)</u>	<u>76,448</u>	<u>(88,863)</u>	<u>-</u>
<b>Increase (Decrease) in Net Assets</b>	(129,893)	-	-	-
<b>Net Assets at Beginning of Year</b>	<u>2,489,548</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets at End of Year</b>	\$ <u><u>2,359,655</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

(continued)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Combining Schedule of Activities(Concluded)**

For the Year Ended June 30, 2025 (Compiled)

With Comparative Totals for the Year Ended June 30, 2024 (Compiled)

**Schedule 2**

	<b>Program Services</b>		<b>Total June 30,</b>	
	<b>Supported Living</b>	<b>Mallard Home</b>	<b>2025 (Compiled)</b>	<b>2024 (Compiled)</b>
<b>Other financing sources (uses)</b>				
Operating Transfers In	276,616	21,430	285,631	682,177
Operating Transfers (Out)	-	-	(285,631)	(682,177)
Total Other Financing Sources (Uses)	<u>276,616</u>	<u>21,430</u>	<u>-</u>	<u>-</u>
<b>Increase (Decrease) in Net Assets</b>	-	-	(129,893)	(14,450)
<b>Net Assets at Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>2,489,548</u>	<u>2,503,998</u>
<b>Net Assets at End of Year</b>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>2,359,655</u></u>	\$ <u><u>2,489,548</u></u>

(concluded)

**THE ARC OF OUACHITA (dba ARCO)**

Monroe, Louisiana

**Schedule of Compensation, Benefits and Other Payments to Agency Head or  
Chief Executive Officer**

For the Year Ended June 30, 2025 (Compiled)

**Schedule 3**

**Agency Head: Roma Kidd, Executive Director**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 118,670
Benefits - Retirement	\$ 3,408
Reimbursements	\$ -
Conference	\$ 861