

Central Louisiana AIDS Support Services

Alexandria, Louisiana

Financial Statements

December 31, 2020

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KnightMadden

A Professional Accounting Corporation

John E. Theriot II, CPA, CGMA
Dona C. Manuel, CPA
Stephanie R. Lemoine, CPA

Independent Auditors' Report

To the Board of Directors of
Central Louisiana AIDS Support Services, Inc.
Alexandria, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Central Louisiana AIDS Support Services (CLASS) (a nonprofit organization) which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 Central Louisiana AIDS Support Services as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited CLASS's 2019 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated September 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2021 on our consideration of CLASS'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* and should be considered in assessing the results of our audit.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits and other payments to executive director and the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. 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 procedure, 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.



KnightMasden
Alexandria, Louisiana
June 23, 2021



Central Louisiana AIDS Support Services
Statement of Financial Position
December 31

	<u>2020</u>	<u>2019</u> Summarized Total
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,148,750	\$ 534,640
Grants and pledges receivable	419,297	351,168
Prepaid expenses	-	3,349
Total Current Assets	1,568,047	889,157
Plant, Property and Equipment, net of accumulated depreciation	272,718	282,497
Other Assets		
Deposits	2,001	2,001
Total Other Assets	2,001	2,001
Total Assets	\$ 1,842,766	\$ 1,173,655
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 16,412	\$ 97,437
Payroll liabilities	4,409	1,671
Total Current Liabilities	20,821	99,108
Net Assets		
without Donor Restrictions	1,687,647	915,628
with Donor Restrictions	134,298	158,919
Total Net Assets	1,821,945	1,074,547
Total Liabilities and Net Assets	\$ 1,842,766	\$ 1,173,655

The accompanying notes are
an integral part of the financial statements.

Central Louisiana AIDS Support Services
Statement of Activities
For the Year Ended December 31

	without Donor <u>Restrictions</u>	<u>2020</u> with Donor <u>Restrictions</u>	<u>Total</u>	<u>2019</u> Summarized <u>Total</u>
Revenues				
Contributions, gifts and grants	\$ 6,730	\$ 1,923,314	\$ 1,930,044	\$ 1,297,939
Fund raising income	23,555	-	23,555	20,226
Investment income	257	-	257	155
340B reimbursement	345,322	-	345,322	167,064
Other income	<u>95,066</u>	<u>-</u>	<u>95,066</u>	<u>11,089</u>
Total Revenues	470,930	1,923,314	2,394,244	1,496,473
Net Assets released from restrictions	1,947,935	(1,947,935)	-	-
Functional Expenses				
Program services	1,620,200	-	1,620,200	1,275,765
Management and general	23,128	-	23,128	43,864
Fundraising	<u>3,518</u>	<u>-</u>	<u>3,518</u>	<u>14,530</u>
Total Functional Expenses	<u>1,646,846</u>	<u>-</u>	<u>1,646,846</u>	<u>1,334,159</u>
Change in Net Assets	772,019	(24,621)	747,398	162,314
Net Assets - Beginning	<u>915,628</u>	<u>158,919</u>	<u>1,074,547</u>	<u>912,233</u>
Net Assets - Ending	<u>\$ 1,687,647</u>	<u>\$ 134,298</u>	<u>\$ 1,821,945</u>	<u>\$ 1,074,547</u>

The accompanying notes are
an integral part of the financial statements.

Central Louisiana AIDS Support Services
Statement of Cash Flows
For the Year Ended December 31

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 747,398	\$162,314
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	9,778	9,076
(Increase) decrease in receivables	(68,129)	(94,945)
(Increase) decrease in prepaid expenses	3,349	(328)
Increase (decrease) in current liabilities	<u>(78,286)</u>	<u>79,151</u>
Net Cash Provided (Used) by Operating activities	614,110	155,268
Cash flows from Investing Activities		
Purchase of plant, property and equipment	<u>-</u>	<u>(85,887)</u>
Net Cash Used by Investing Activities	-	(85,887)
Net Increase (Decrease) in Cash and Cash equivalents	614,110	69,381
Cash and Cash Equivalents - Beginning of Year	<u>534,640</u>	<u>465,259</u>
Cash and Cash Equivalents - End of Year	<u>\$1,148,750</u>	<u>\$534,640</u>

The accompanying notes are
an integral part of the financial statements.

Central Louisiana AIDS Support Services
Statement of Functional Expenses
For the Year Ended December 31

	2020						2019	
	Direct Services for			Total			Summarized	
	AIDs Patients	Gay Men's Wellness	Prevention	Program Services	Management and General	Fundraising	Total Expenses	Expenses
Payroll expenses	\$ 401,144	\$ 47,690	\$ 135,662	\$ 584,496	\$ 15,304	\$ -	\$ 599,800	\$ 480,401
Contract labor	55,848	-	8,090	63,938	-	-	63,938	50,973
Travel	7,880	-	2,057	9,937	-	-	9,937	11,924
Professional fees	12,124	-	8,110	20,234	-	-	20,234	20,899
Bank charges	111	-	-	111	22	-	133	516
Depreciation	9,778	-	-	9,778	-	-	9,778	9,076
Dues and subscriptions	-	-	-	-	202	-	202	448
Education and seminars	-	-	-	-	-	-	-	741
Insurance	7,805	5,798	13,556	27,159	-	-	27,159	18,583
Repairs and maintenance	1,901	-	-	1,901	1,362	-	3,263	25,237
Office expense	45,158	-	9,312	54,470	1,045	3,518	59,033	76,403
Program expense	229,183	176,047	24,776	430,006	-	-	430,006	275,334
Telephone	3,580	-	3,350	6,930	1,326	-	8,256	7,598
Utilities	9,698	-	4,451	14,149	-	-	14,149	35,727
Advertising	-	-	-	-	-	-	-	5,406
Rent	392,042	-	-	392,042	3,867	-	395,909	308,567
Other Expense	4,069	980	-	5,049	-	-	5,049	6,326
Total	<u>\$ 1,180,321</u>	<u>\$ 230,515</u>	<u>\$ 209,364</u>	<u>\$ 1,620,200</u>	<u>\$ 23,128</u>	<u>\$ 3,518</u>	<u>\$ 1,646,846</u>	<u>\$ 1,334,159</u>

The accompanying notes are
an integral part of the financial statements.

Central Louisiana AIDS Support Services
Notes to the Financial Statements
December 31, 2020

Note 1 – Summary of Significant Accounting Policies

Organization

Central Louisiana AIDS Support Services (CLASS) is a nonprofit organization providing support and services to people infected and affected by acquired autoimmune deficiency syndrome (AIDS) and human immunodeficiency virus (HIV) in the Central Louisiana region. CLASS also offers educational programs and informational materials to the general public, in order to prevent more people from becoming infected and to build awareness of the serious medical, legal, social and emotional problems faced by those already infected. CLASS also provides a continuum of care and supportive services for individuals and families living with HIV disease. CLASS's programs are as follows:

Education

Education continues to be the best method for slowing the spread of HIV/AIDS. This program's goal is making the community aware that prevention is vital to reducing the spread of HIV. CLASS provides a prevention intervention program through street/community outreach; HIV prevention counseling, testing, referral and partner notification; community education and condom availability. Outreach is a person to person approach involving education to prevent the spread of HIV and other STDs. These services are funded through various programs including Ryan White Part B and Ryan White Part C, HIV/AIDS Prevention, United Way, and Elton John AIDS Foundation.

Case Management

CLASS provides case managers who serve as liaisons between clients and the network of community resources to ensure that the infected live comfortably and with dignity. Case managers work with those living with HIV and AIDS to develop a plan of care that addresses the medical, financial, emotional and social needs. Funding for these services is provided by Ryan White Part B and Part F and Housing Opportunities for Persons with AIDS.

Food Pantry

CLASS operates a food pantry which supplements the clients' needs with nonperishable food items and personal care items. This program is provided by Ryan White Part B and Broadway Cares.

Housing Support Services

Housing Support Services provides assistance to persons with significant disabilities to obtain and maintain housing in the community. The supports provided are rent and utilities assistance. Funding for this assistance is provided by Housing Opportunities for Persons with AIDS.

Transportation Services

CLASS provides clients with (2) \$10 gas vouchers per month or bus tickets for medical appointments. Transportation services are funded through Ryan White Part B.

Central Louisiana AIDS Support Services
Notes to the Financial Statements
December 31, 2020

Note 1 – Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of CLASS and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of CLASS and/or the passage of time, or be permanently maintained by CLASS. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Tax Status

CLASS is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, CLASS is not classified as a “private foundation” by the Internal Revenue Service. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the organization and recognize a tax liability (or asset) if the organization has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the organization, and has concluded that as of December 31, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or assets) or disclosure in the financial statements.

Accounts Receivable

Accounts receivable are comprised primarily of reimbursements from federal agencies. CLASS uses the allowance method to account for uncollectible receivables. Reimbursements are charged against the allowance when deemed to be uncollectible. The allowance is based on management's estimate of possible uncollectible reimbursements. Due to reimbursements being due primarily from federal agencies with minimal risks of nonpayment based on CLASS's past experience with these agencies, all amounts due are considered collectible and therefore no allowance is recorded.

Cash and Cash Equivalents

CLASS considers all demand deposits and highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents include monies designated for specific programs or held for others.

Central Louisiana AIDS Support Services
Notes to the Financial Statements
December 31, 2020

Note 1 – Summary of Significant Accounting Policies (Continued)

Equipment, Furniture and Buildings

Equipment and furniture are recorded at cost. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. The estimated useful lives of assets range from three to seven years for equipment and furniture and thirty-nine years for buildings.

Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support, unless the donor has restricted the donated asset to a specific purpose or for use for a specified period of time. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of CLASS have been summarized on a functional basis in the accompanying statements of functional expenses.

Advertising and Promotion

Advertising costs are expensed as incurred. The primary purpose of these appeals is to promote CLASS's fund-raising events and raise awareness of the disease and its prevention.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of 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. CLASS's estimates include those regarding the fair value of donated materials and services.

Note 2 – Fair Value Measurement

FASB ACS 820-10, Fair Value Measurement, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fair value of an asset or liability as of the measurement date. The three levels are defined as follows:

Central Louisiana AIDS Support Services
Notes to the Financial Statements
December 31, 2020

Note 2 – Fair Value Measurement (continued)

Level 1 – Represented by quoted prices that are available in an active market. Level 1 securities include checking and savings accounts, certificates of deposit, highly liquid government bonds, treasury securities, mortgage products and exchange traded equities.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data and estimated using pricing models or discounted cash flows. Level 2 securities would include U.S. agency securities, mortgage-backed agency securities, obligations of states and political subdivisions, and certain corporate, asset backed securities, and swap agreements.

Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity’s own assumptions about the market risk. Level 3 securities would include hedge funds, private equity securities, and private investments in public entities.

Fair value of assets measured on a recurring basis at December 31, 2020 are as follows:

<u>Description</u>	<u>Fair Value Measurement at December 31, 2020 Using</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash	\$1,148,750	\$1,148,750	\$ -	\$ -

Note 3 – Grants Receivable

Grants receivable at December 31, 2020 consists of the following programs:

State of Louisiana – Ryan White II	\$386,812
State of Louisiana – HIV/AIDS Prevention	8,040
State of Louisiana – Gay Men’s Wellness	9,010
CLHSD	<u>15,435</u>
 Total Grants Receivable	 <u>\$419,297</u>

Central Louisiana AIDS Support Services
Notes to the Financial Statements
December 31, 2020

Note 4 – Equipment and Furniture

The following schedule summarizes estimated useful life, cost and accumulated depreciation of property, plant and equipment as of December 31, 2020:

<u>Description</u>	<u>Life</u>	
Building	39 years	\$287,059
Equipment & Furniture	5 to 10 years	169,594
Land		32,094
Less: Accumulated Depreciation		<u>(216,029)</u>
Net Fixed Assets		<u>\$272,718</u>

Depreciation expense for the year ended December 31, 2020 was \$9,778.

Note 5 – Concentrations

Grants received require the fulfillment of certain conditions as set forth in the grant instruments; CLASS intends to fulfill the conditions of all grants, recognizing that failure to fulfill the conditions could result in the return of the funds to donors. CLASS, by accepting the grants and their terms, has agreed to the conditions of the donors. Government grants represented approximately 93% of CLASS's total support and revenue for year 2020. In addition, the balance of accounts receivable is comprised primarily of government grants.

The Company maintains cash balances with a regional bank. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2020, there was \$937,944 in cash on deposit that was in excess of the federally-insured limits.

Note 6 – Restricted Net Assets

Net asset with donor restrictions as of December 31, 2020 totaled \$134,298 and were restricted for the following purposes:

Teen pregnancy prevention	\$ 6,285
Substance abuse prevention	31,113
Electronic health record system	12,463
Outreach	4,324
HIV care, testing and prevention	5,000
Syringe service	39,800
Direct services for AIDS patients	<u>35,313</u>
Total	<u>\$134,298</u>

Central Louisiana AIDS Support Services
Notes to the Financial Statements
December 31, 2020

Note 6 – Restricted Net Assets (continued)

Net assets with donor restriction income was generated through both cost reimbursements and “pay for services” type funding. The amounts reported as grant and contract income exceeded program expenses due to the fact that the “pay for services” funding is not directly related to an offsetting program expense. Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the grants.

Note 7 – Taxes

CLASS's tax returns for the years ended December 31, 2017 through December 31, 2019, remain open and subject to examination by taxing authorities. The tax return for the year ended December 31, 2020 has not been filed as of the report date.

Note 8 – Liquidity and Availability of Financial Assets

Financial assets, consisting of cash and accounts receivable, that are available for general expenditure, that is, without donor or other restrictions limiting their use, amounted to \$1,433,749 at December 31, 2020. CLASS has a goal to maintain sufficient financial resources on hand to meet sixty days of normal operating expenses.

Note 9 – Subsequent Events

CLASS has no material subsequent events that would require disclosure. Subsequent events have been evaluated through June 23, 2021, which is the date the report was issued.

Central Louisiana AIDS Support Services
Schedule of Federal Awards
For the Year Ended December 31, 2020

<u>Federal Grantor/Pass-through Grantor</u>	<u>Federal CDFA Number Expenditures</u>	<u>Pass- through Identifying Number</u>	<u>Pass- through to Sub- recipients</u>	<u>Federal</u>
U. S. Department of Health and Human Services				
Indirect Programs:				
Louisiana Department of Health and Hospitals:				
Block Grants for Prevention	93.959		\$ -	\$ 57,829
STD/HIV Program	93.940		-	286,322
HIV/AIDS Program	93.917		-	<u>869,107</u>
Total U.S. Department of Health and Human Services			-	1,213,258
U. S. Department of Housing and Urban Development				
Indirect Programs:				
Louisiana Department of Health and Hospitals:				
HOPWA	14.241		-	<u>161,260</u>
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$1,374,518</u>

Central Louisiana AIDS Support Services
Notes to the Schedule of Federal Awards
For the Year Ended December 31, 2020

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Central Louisiana AIDS Support Services and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note B – Indirect Cost Rate Election

The Central Louisiana AIDS Support Services did not elect to use the 10% de minimis indirect cost rate during the year ended December 31, 2020.



Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors of
Central Louisiana AIDS Support Services
Alexandria, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Louisiana Aids Support Service (CLASS) (a nonprofit organization) which comprise that statement of financial position as of December 31, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 23, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CLASS'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 CLASS's internal control. Accordingly, we do not express an opinion on the effectiveness of CLASS'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 CLASS'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 instance of noncompliance or other matter that is 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.

This report is intended solely for the information and use of the Board of Directors, management, State of Louisiana Legislative Auditor's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



KnightMasden
Alexandria, Louisiana
June 23, 2021





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

Board of Directors
Central Louisiana AIDS Support Services
Alexandria, Louisiana

Report on Compliance for Each Major Federal Program

We have audited Central Louisiana AIDS Support Services' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Central Louisiana AIDS Support Services' major federal programs for the year ended December 31, 2020. Central Louisiana AIDS Support Services' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Central Louisiana AIDS Support Services' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central Louisiana AIDS Support Services' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Central Louisiana AIDS Support Services' compliance.

Opinion on Each Major Federal Program

In our opinion, Central Louisiana AIDS Support Services complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be a material weakness. However, a material weakness may exist that has not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana statutes, this report is distributed by the Legislative Auditor as a public document.



KnightMasden
Alexandria, Louisiana
June 23, 2021

Central Louisiana AIDS Support Services
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Summary of Auditors' Results

1. The auditors' report expresses an unmodified opinion on the financial statements of Central Louisiana AIDS Support Services.
2. No material weakness was disclosed during the audit of the financial statements and is 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 Performed in Accordance with Government Auditing Standards*.
3. No instance of noncompliance material to the financial statements of Central Louisiana AIDS Support Services, which would be required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.
4. No material weaknesses in internal control over major federal award programs disclosed during the audit is reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award program administered by Central Louisiana AIDS Support Services expresses an unmodified opinion.
6. Audit findings that are required to be reported in accordance with the Uniform Guidance are reported in Section C of this schedule.
7. The programs tested as major programs include:

	<u>CFDA Numbers</u>
HIV/AIDS Program	93.917

8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. The Central Louisiana AIDS Support Services does not qualify as a low-risk auditee.

Central Louisiana AIDS Support Services
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

B. Findings – Financial Statement Audit

INTERNAL CONTROL AND COMPLIANCE FINDING

No Findings

C. Findings and Questioned Costs – Major Federal Award Programs Audit

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Passed through the State of Louisiana

Central Louisiana AIDS Support Services
Schedule of Compensation, Benefits and Other Payments to Ann Lowrey,
Executive Director
For the Year Ended December 31, 2020

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 102,806
Travel (mileage)	<u>483</u>
	<u>\$ 103,289</u>

The accompanying notes are
an integral part of the financial statements.