



(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

JUNE 30, 2019

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

JUNE 30, 2019

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Assumption Association for Retarded Citizens, Inc.
Napoleonville, Louisiana

We have reviewed the accompanying financial statements of Assumption Association for Retarded Citizens, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Association's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on June 30, 2018 Financial Statements

The June 30, 2018 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated October 3, 2018. We have not performed any auditing procedures since that date.

Emphasis of Matter

As discussed in Note 1 to the financial statements, Assumption Association for Retarded Citizens, Inc. adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our conclusion is not modified with respect to this matter.



Other Matters

Supplementary Information

The accompanying schedules of support and revenue, and the schedule of compensation, benefits and other payments to chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Postlethwaite & Netterville

Donaldsonville, Louisiana
September 26, 2019

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	2019	2018
<u>ASSETS:</u>		
Cash and cash equivalents	\$ 457,709	\$ 688,007
Certificates of deposit	827,186	527,197
Accounts receivable	8,952	5,075
Due from Louisiana Department of Health and Hospitals	139,774	129,019
Investments	913,736	869,425
Other assets	3,523	3,894
Buildings and equipment, net	1,046,901	924,553
TOTAL ASSETS	\$ 3,397,781	\$ 3,147,170
<u>LIABILITIES:</u>		
Accounts payable	\$ 26,071	\$ 38,866
Salaries and payroll taxes payable	31,899	28,794
Deferred revenue	12,500	23,500
TOTAL LIABILITIES	70,470	91,160
<u>NET ASSETS:</u>		
Without donor restrictions	3,327,311	3,056,010
TOTAL NET ASSETS	3,327,311	3,056,010
TOTAL LIABILITIES AND NET ASSETS	\$ 3,397,781	\$ 3,147,170

See accompanying notes and independent accountants' review report.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2019 AND 2018

	Without Donor Restrictions	
	2019	2018
<u>REVENUES, GAINS, AND OTHER SUPPORT</u>		
Public Support:		
Program service fees	\$ 2,167,717	\$ 2,136,805
Department of Transportation Grant	297,198	88,178
Public contributions	7,026	14,466
Allocated by Capital Area United Way	43,258	34,086
Other Revenue:		
Sales to public (net of expenses of \$6,280 and \$6,216, respectively)	174,537	180,358
Fundraising	36,800	10,775
Activity center services	118,732	108,040
Investment income	86,195	61,009
Net unrealized gain (loss) on investments	(24,464)	56,761
Miscellaneous	296	619
Net gain on sales and disposal of assets	15,994	-
Total revenues, gains, and other support	2,923,289	2,691,097
<u>EXPENSES AND LOSSES</u>		
Program Services:		
Residential Services:		
Napoleonville Manor	499,381	494,248
Thibaut Manor	413,303	414,674
Day-Program Services:		
Activity Center	417,538	382,044
Project Fund	176,838	177,124
Association Fund	31,727	9,972
Waiver Services	695,283	691,152
Total program services	2,234,070	2,169,214
Support Services:		
General and Administrative:		
Central Office	417,918	404,416
Total expenses	2,651,988	2,573,630
Change in net assets	271,301	117,467
Net assets at beginning of year	3,056,010	2,938,543
Net assets at end of year	\$ 3,327,311	\$ 3,056,010

See accompanying notes and independent accountants' review report.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.

(A NOT FOR PROFIT ORGANIZATION)

STATEMENTS OF FUNCTIONAL EXPENSES

YEARS ENDED JUNE 30, 2019 AND 2018

Program Services

	Napoleonville Manor		Thibaut Manor		Activity Center		Project Fund	
	2019	2018	2019	2018	2019	2018	2019	2018
Salaries	\$ 257,662	\$ 244,865	\$ 213,789	\$ 215,523	\$ 239,825	\$ 237,750	\$ 106,818	\$ 108,541
Activity center services	63,714	60,470	52,018	47,570	-	-	-	-
Insurance	8,899	8,200	9,022	8,703	28,985	23,549	18,241	20,731
Office supplies	381	268	380	277	67	39	-	-
Auto expense	3,596	4,366	3,452	3,782	30,933	43,287	20,446	14,937
Professional services	4,840	6,901	5,171	6,181	-	-	-	-
Telephone	1,408	1,404	2,369	2,096	2,187	2,045	531	503
Travel and entertainment	26	156	254	156	2,190	1,203	-	153
Food	27,136	32,959	21,435	24,720	-	-	-	-
Payroll taxes	19,532	18,591	16,083	16,238	18,069	17,946	8,467	8,157
Contract work	2,106	1,672	1,730	1,393	881	1,552	80	80
Other	5,503	7,390	4,636	5,323	3,297	656	796	1,358
Repairs and maintenance	4,724	12,396	10,389	8,397	3,606	5,838	7,653	6,281
Depreciation	23,810	16,584	9,695	9,986	76,040	34,322	9,729	10,358
Advertising	-	-	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-	-	-
Utilities	6,614	8,609	8,443	10,968	5,598	6,464	4,077	6,025
Supplies	9,307	8,876	9,182	8,718	5,860	7,393	-	-
Medical services	15,759	14,239	9,063	9,274	-	-	-	-
Bed fee	44,364	46,302	36,192	35,369	-	-	-	-
Total expenses	<u>\$ 499,381</u>	<u>\$ 494,248</u>	<u>\$ 413,303</u>	<u>\$ 414,674</u>	<u>\$ 417,538</u>	<u>\$ 382,044</u>	<u>\$ 176,838</u>	<u>\$ 177,124</u>

See accompanying notes and independent accountants' review report.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2019 AND 2018

	Program Services				Support Services		Total	
	Association Fund		Waiver Services		Central Office		2019	2018
	2019	2018	2019	2018	2019	2018		
Salaries	\$ -	\$ -	\$ 611,976	\$ 615,264	\$ 209,972	\$ 213,239	\$ 1,640,042	\$ 1,635,182
Activity center services	-	-	162	447	-	-	115,894	108,487
Insurance	-	-	10,860	6,586	91,443	82,022	167,450	149,791
Office supplies	-	-	30	29	15,264	14,345	16,122	14,958
Auto expense	-	-	7,410	8,143	-	-	65,837	74,515
Professional services	-	-	-	-	19,700	18,835	29,711	31,917
Telephone	-	-	269	419	4,260	4,256	11,024	10,723
Travel and entertainment	-	462	143	54	919	715	3,532	2,899
Food	3,858	3,619	-	-	-	26	52,429	61,324
Payroll taxes	-	-	45,725	45,773	17,514	17,601	125,390	124,306
Contract work	-	-	592	-	6,212	8,773	11,601	13,470
Other	4,230	4,554	1,336	2,388	9,065	7,632	28,863	29,301
Repairs and maintenance	-	-	88	125	27,501	18,351	53,961	51,388
Depreciation	-	-	16,571	11,090	7,962	7,302	143,807	89,642
Advertising	-	-	-	-	749	1,506	749	1,506
Fundraising	23,639	1,337	-	-	-	-	23,639	1,337
Utilities	-	-	-	-	5,569	7,471	30,301	39,537
Supplies	-	-	71	834	1,788	2,342	26,208	28,163
Medical services	-	-	50	-	-	-	24,872	23,513
Bed fee	-	-	-	-	-	-	80,556	81,671
Total expenses	\$ 31,727	\$ 9,972	\$ 695,283	\$ 691,152	\$ 417,918	\$ 404,416	\$ 2,651,988	\$ 2,573,630

See accompanying notes and independent accountants' review report.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 271,301	\$ 117,467
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Department of Transportation grant for vehicles	(247,198)	(33,627)
Donated property	-	(3,900)
Depreciation	143,807	89,642
Unrealized (gain) loss on investments	24,464	(56,761)
Gain on sales of property and equipment	(15,994)	-
(Increase) decrease in accounts receivable	(14,632)	3,088
(Increase) decrease in other assets	371	(3,161)
(Decrease) increase in accounts payable	(12,795)	18,900
Increase in salaries and payroll taxes payable	3,105	823
(Decrease) increase in deferred revenue	(11,000)	23,500
Net cash provided by operating activities	<u>141,429</u>	<u>155,971</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchases of certificates of deposit	(299,989)	(4,108)
Purchases of investments	(68,775)	(52,094)
Purchases of property and equipment	(19,363)	(43,059)
Proceeds from sales of property and equipment	16,400	-
Net cash used in investing activities	<u>(371,727)</u>	<u>(99,261)</u>
Net increase (decrease) in cash and cash equivalents	(230,298)	56,710
Cash and cash equivalents at beginning of year	<u>688,007</u>	<u>631,297</u>
Cash and cash equivalents at end of year	<u>\$ 457,709</u>	<u>\$ 688,007</u>
Supplemental disclosure:		
<u>NONCASH INVESTING ACTIVITIES:</u>		
Property and equipment obtained through DOTD grant	\$ 247,198	\$ 33,627

See accompanying notes and independent accountants' review report.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Nature of Activities

Assumption Association for Retarded Citizens, Inc. (the Association) is a non-profit organization which was formed to furnish education and recreation to the mentally retarded and handicapped persons of Assumption Parish. The Association is solely dependent upon Medicaid funding, appropriations from State agencies, sales to the public, fundraising and other contributions.

Program Services

Residential Services

The Association has two group homes, Napoleonville Manor and Thibaut Manor. These homes provide residential services for disabled persons.

Day-Program Services

Day-program services include sheltered workshops and community work services for disabled persons. These programs include Activity Center, Project Fund, Association Fund, and Waiver Services.

Support Services

General and Administrative – Central Office

The support services category includes the administrative functions necessary to ensure proper administrative functioning of the Association's governing board, maintain an adequate working environment, and manage financial responsibilities of the Association.

Basis of Accounting

The Association prepares its financial statements on the accrual basis of accounting. Accordingly, revenues from program service fees, sales, fundraising, donations, activity center services, and investments are recognized when earned and expenses are recognized when incurred.

To ensure proper usage of assets with and without donor restrictions, the Association maintains its accounts according to accounting principles generally accepted in the United States of America, whereby funds are classified in accordance with specified restrictions or objectives.

Accounting Pronouncement Adopted

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

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Cash and Cash Equivalents

The Association considers all cash accounts, money market funds and all highly liquid deposits with a maturity of three months or less when purchased to be cash and cash equivalents.

Certificates of Deposit

Certificates of deposit with banks have original maturities between 12 and 24 months and are carried at cost, which approximates fair value.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts, as deemed applicable. Management considers accounts receivable that are more than 30 days old to be past due. Additionally, management has determined that accounts receivable that are more than one-year-old may not be collectible. No reserve for uncollectible accounts has been established. Management has determined that all receivables as of each year-end are collectible.

Due from Louisiana Department of Health and Hospitals

Due from Louisiana Department of Health and Hospitals consists of receivables based on contracted rates for the respective residential and day program services. All amounts are expected to be collected within the next twelve months.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Investment expenses, if any, are netted against investment income in the statements of activities and changes in net assets. Unrealized gains and losses are included in the statements of activities and changes in net assets.

Buildings and Equipment

The Association capitalizes buildings and equipment over \$1,000. Lesser amounts are expensed. Buildings and equipment are recorded at cost and are being depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	30 - 40 years
Transportation equipment	5 years
Other equipment	5 - 10 years

Deferred Revenue

Deferred revenue represents collections from raffle tickets sold in advance of the fundraiser. The revenue will be realized and recorded at the point when the fundraiser is held and expenses are incurred, which is expected to occur within the next twelve months.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions.

The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities and changes in net assets as such. The Association has no assets with donor restrictions at June 30, 2019 and 2018, respectively.

Revenue Recognition

The majority of the Association's revenue is derived from third-party reimbursement arrangements. These revenues and the allowability of the related expenditures are subject to audits by the granting agencies.

The Association recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions received are reported as either revenues without donor restrictions or revenues with donor restrictions. Contributions with donor restrictions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as revenues with donor restrictions and are reclassified as net assets released from restrictions in the same year.

Promises to contribute that stipulate conditions to be met before the contribution is made are not recorded until the conditions are met. There were no conditional promises to give for the years ended June 30, 2019 and 2018, respectively.

The Association reports gifts of land, buildings, and equipment as revenue without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and the gifts of cash or other asset that must be used to acquire long-lived assets are reported as revenue with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of noncash assets as well as contributions of donated services that create or enhance nonfinancial assets or that require 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 values in the period received. The Association did not recognize any contributed services during the years ended June 30, 2019 and 2018, respectively.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Expenses

Expenses are recognized by the Association on the accrual basis. Expenses paid in advance and not yet incurred are recorded as prepaid until the applicable period.

Functional Allocation of Expenses

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. No allocation of general and administrative costs has been made to program services. General and administrative costs are charged to central office and are reported as support services expenses.

Concentrations of Credit Risk

At various times throughout the year, the carrying value of the Association's deposits were in excess of FDIC insurance. Management has determined that the risk of default is minimal.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Association accounts for income taxes in accordance with income tax accounting guidance included in the FASB Accounting Standards Codification (ASC).

The Association is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Association has not recorded a provision for income taxes in the accompanying financial statements and the Association does not have any uncertain tax positions. In management's judgement, the Association does not have any tax positions that would result in a loss contingency considering the facts, circumstances and information available at the reporting date.

Reclassifications

Certain amounts in the 2018 financial statements have been reclassified to conform to the 2019 presentation.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

Accounting Pronouncements Issued but Not Yet Adopted

The FASB has 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 Association for annual periods beginning after December 15, 2018.

In June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU should assist organizations in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. This ASU is effective for the Association for the annual period beginning after December 15, 2018.

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, 2019.

The Association is currently assessing the impact of these pronouncements on its financial statements.

2. **Cash and Cash Equivalents**

At June 30, 2019 and 2018 the carrying amounts of the Association's deposits were \$457,709 and \$688,007, respectively. These deposits are at cost, which approximates fair value.

3. **Buildings and Equipment**

Buildings and equipment at June 30, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Building	\$ 1,554,772	\$ 1,554,772
Transportation equipment	657,699	563,216
Furniture and equipment	305,826	309,455
	<u>2,518,297</u>	<u>2,427,443</u>
Less: Accumulated depreciation	<u>(1,471,396)</u>	<u>(1,502,890)</u>
	<u>\$ 1,046,901</u>	<u>\$ 924,553</u>

Depreciation expense was \$143,807 and \$89,642 for the years ended June 30, 2019 and 2018, respectively.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

4. Program Service Fees

Program service fees consist of contributions from government agencies for the year ended June 30, 2019 as follows:

	<u>Napoleonville Manor</u>	<u>Thibaut Manor</u>	<u>Activity Center</u>	<u>Waiver Services</u>	<u>Total</u>
Medicaid					
Title XIX	\$ 422,069	\$ 311,949	\$ -	\$ -	\$ 734,018
Patient Liability	61,834	80,415	-	-	142,249
Waiver Contract	-	-	351,043	925,777	1,276,820
OMR	-	-	14,630	-	14,630
Total	<u>\$ 483,903</u>	<u>\$ 392,364</u>	<u>\$ 365,673</u>	<u>\$ 925,777</u>	<u>\$ 2,167,717</u>

Program service fees consist of contributions from government agencies for the year ended June 30, 2018 as follows:

	<u>Napoleonville Manor</u>	<u>Thibaut Manor</u>	<u>Activity Center</u>	<u>Waiver Services</u>	<u>Total</u>
Medicaid					
Title XIX	\$ 441,402	\$ 311,212	\$ -	\$ -	\$ 752,614
Patient Liability	61,703	75,718	-	-	137,421
Waiver Contract	-	-	378,819	847,161	1,225,980
OMR	-	-	20,790	-	20,790
Total	<u>\$ 503,105</u>	<u>\$ 386,930</u>	<u>\$ 399,609</u>	<u>\$ 847,161</u>	<u>\$ 2,136,805</u>

5. Line of Credit

The Association entered into an open line of credit in the amount of \$50,000 maturing September 28, 2019, of which, \$50,000 was unused at June 30, 2019. The line bears interest at a 3.45 percent interest rate. Interest payments are due monthly. The line is secured by a certificate of deposit.

6. Fair Values of Financial Instruments

In accordance with the Fair Value Measurements and Disclosure topic of FASB ASC, disclosure of fair value information about financial instruments, whether or not recognized in the statements of financial position is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Association.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

6. **Fair Values of Financial Instruments** (continued)

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

In accordance with this guidance, the Association groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following method and assumption was used by the Association in estimating its fair value disclosures for financial instruments:

Securities

Securities are classified within Level 1 where quoted market prices are available in an active market. Inputs include securities that have quoted prices in active markets for identical assets. If quoted market prices are unavailable, fair value is estimated using pricing models or quoted prices of securities with similar characteristics, at which point the securities would be classified within Level 2 of the hierarchy.

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

6. Fair Values of Financial Instruments (continued)

The following table presents for each fair value hierarchy level, of the Association's financial assets and liabilities that are measured at fair value on a recurring basis.

	Level 1
June 30, 2019	
Municipal Bond	\$ 25,617
Fixed Income Securities:	
Income Funds	888,119
	\$ 913,736
June 30, 2018	Level 1
Municipal Bond	\$ 26,329
Fixed Income Securities:	
Income Funds	843,096
	\$ 869,425

7. Availability and Liquidity Management

The Association maintains a policy of structuring its financial assets to be available as its general expenses, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Association purchases certificates of deposit with varying maturity dates and has equity investments that are readily available to be sold.

The following table reflects the Association's financial assets as of June 30, 2019 and 2018, reduced by amounts that are not available to meet general expense within one year of the statement of financial position date because of contractual restrictions. There were no net assets with donor restrictions at June 30, 2019 and 2018.

	2019	2018
Cash and cash equivalents	\$ 457,709	\$ 688,007
Certificates of deposit	827,186	527,197
Accounts receivable	148,726	134,094
Interest receivable	2,505	2,923
Investments	913,736	869,425
Total financial assets	2,349,862	2,221,646
Less: Investments with liquidity horizons greater than one year	25,617	26,329
Financial assets available to meet cash needs for general expenses within one year	\$ 2,324,245	\$ 2,195,317

8. Subsequent Events

Assumption Association for Retarded Citizens, Inc. has evaluated subsequent events through September 26, 2019, the date that the financial statements were available to be issued, and determined no events occurred that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF SUPPORT AND REVENUE
YEARS ENDED JUNE 30, 2019 AND 2018

	Napoleonville Manor		Thibaut Manor		Activity Center		Project Fund	
	2019	2018	2019	2018	2019	2018	2019	2018
Without Donor Restriction:								
Public Support:								
Program service fees	\$ 483,903	\$ 503,105	\$ 392,364	\$ 386,930	\$ 365,673	\$ 399,609	\$ -	\$ -
Department of Transportation Grant	57,531	5,579	3,016	5,153	216,253	22,954	12,041	13,223
Public contributions	-	-	-	-	-	-	-	736
Allocated by Capital Area United Way	-	-	-	-	-	-	-	-
Other Revenue:								
Sales to public (net of expenses)	-	-	-	-	-	-	174,300	180,358
Fundraising	-	-	-	-	-	-	-	-
Activity Center services	-	-	-	-	118,732	108,040	-	-
Investment income	6,447	5,112	18,530	14,094	-	-	12	12
Net unrealized gain (loss) on investments	(2,231)	5,175	(6,405)	14,861	-	-	-	-
Miscellaneous income	-	331	-	-	264	288	-	-
Net gain (loss) on sales and disposals of assets	-	-	(406)	-	11,900	-	-	-
Total Public Support and Other Revenue	<u>\$ 545,650</u>	<u>\$ 519,302</u>	<u>\$ 407,099</u>	<u>\$ 421,038</u>	<u>\$ 712,822</u>	<u>\$ 530,891</u>	<u>\$ 186,353</u>	<u>\$ 194,329</u>

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF SUPPORT AND REVENUE
YEARS ENDED JUNE 30, 2019 AND 2018

	<u>Association Fund</u>		<u>Waiver Services</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Without Donor Restriction:						
Public Support:						
Program service fees	\$ -	\$ -	\$ 925,777	\$ 847,161	\$ 2,167,717	\$ 2,136,805
Department of Transportation Grant	-	-	8,357	41,269	297,198	88,178
Public Contributions	7,026	9,830	-	3,900	7,026	14,466
Allocated by Capital Area United Way	43,258	34,086	-	-	43,258	34,086
Other Revenue:						
Sales to public (net of expenses)	237	-	-	-	174,537	180,358
Fundraising	36,800	10,775	-	-	36,800	10,775
Activity Center services	-	-	-	-	118,732	108,040
Investment income	7,403	5,631	53,803	36,160	86,195	61,009
Net unrealized gain (loss) on investments	(2,559)	5,938	(13,269)	30,787	(24,464)	56,761
Miscellaneous income	32	-	-	-	296	619
Net gain (loss) on sales and disposals of assets	-	-	4,500	-	15,994	-
Total Public Support and Other Revenue	<u>\$ 92,197</u>	<u>\$ 66,260</u>	<u>\$ 979,168</u>	<u>\$ 959,277</u>	<u>\$ 2,923,289</u>	<u>\$ 2,691,097</u>

ASSUMPTION ASSOCIATION FOR RETARDED CITIZENS, INC.
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED JUNE 30, 2019

CHIEF EXECUTIVE OFFICER: Sarah Olivo

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 64,288
Travel & Meals	-
Benefits	36
Reimbursements	386
	<hr/>
	\$ 64,710
	<hr/> <hr/>

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

Board of Directors
Assumption Association for Retarded Citizens, Inc.
Napoleonville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Assumption Association for Retarded Citizens, Inc. (a nonprofit Association), the Louisiana Legislative Auditor and applicable state grantor agencies solely to assist the users in evaluating management's assertions about the Association's compliance with certain laws and regulations during the year ended June 30, 2019, included in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Association is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Association's management.

The Association provided us with the following list of expenditures made for federal, state, and local grant awards received during the fiscal year ended June 30, 2019.

<u>Federal Awards</u>	<u>Award Year</u>	<u>CFDA No.</u>	<u>Amount</u>	
Enhanced Mobility for Seniors and Individuals with Disabilities - Operating	2016	20.513	\$ 50,000	
Enhanced Mobility for Seniors and Individuals with Disabilities - Capital	2016	20.513	162,788	
Enhanced Mobility for Seniors and Individuals with Disabilities - Capital	2017	20.513	82,947	
Total Expenditures			\$ 295,735	Note 1
<u>State Awards</u>	<u>Award Year</u>		<u>Amount</u>	
Home and Community Based Waiver Services - OCDD	2019		\$ 14,630	
Total Expenditures			\$ 14,630	Note 2
<u>Local Awards</u>	<u>Award Year</u>		<u>Amount</u>	
Enhanced Mobility for Seniors and Individuals with Disabilities - Capital	2017		\$ 1,463	
Total Expenditures			\$ 1,463	Note 1

Note 1: These grants total \$297,198 and are reported as Department of Transportation Grant on the Statement of Activities.

Note 2: This grant is included on the Statement of Activities as Program service fees.



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2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements would be selected.

We selected a total of 12 disbursements, according to the procedure above, for the fiscal year in question. Six disbursements were selected from the 2016 Enhanced Mobility for Seniors and Individuals with Disabilities operating grant for testing. Six disbursements were also selected from the 2019 Home and Community Based Waiver Services – OCDD grant for testing. The 2016 and 2017 Enhanced Mobility for Seniors and Individuals with Disabilities capital grants provided busses to the Association. There are no disbursements made by the Association under these grants.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agreed to the amount and payee in the supporting documentation.

Each of the selected disbursements agreed to the amount and payee in the supporting documentation.

4. Report whether the disbursements selected in Procedure 2 were coded to the correct fund and general ledger account.

Each of the selected disbursements were coded to the correct fund and general ledger account.

5. Report whether the disbursements selected in Procedure 2 were approved in accordance with the Association's policies and procedures.

Each of the selected disbursements were properly approved in accordance with the Association's policies and procedures.

6. For each disbursement selected in Procedure 2 made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Activities allowed or un-allowed

We compared documentation for each of the selected disbursements, as noted in Step 2, with program compliance requirements related to services allowed or not allowed. All disbursements complied with applicable allowability requirements. No exceptions were noted.

Eligibility

We compared documentation for each of the selected disbursements, as noted in Step 2, with program compliance requirements related to eligibility. All disbursements complied with applicable eligibility requirements. No exceptions noted.

Reporting

We compared documentation for each of the selected disbursements, as noted in Step 2, with program compliance requirements related to reporting. All disbursements complied with applicable reporting requirements. No exceptions noted.



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7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close out reports, if applicable, with the Association's financial records; and report whether the amounts in the close-out reports agree with the Association's financial records.

No close-out requirements were indicated upon our review of the grant award letters and applications.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

Management represented that the Association is only required to post a notice of each meeting and the accompanying agenda on the door of the Association's office building. Based on representations by management, all meetings held, as they relate to public funds, were properly posted.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the Association provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The grants received by the Association are one time grant awards and management has represented that a budget is not required.

State Audit Law

10. Report whether the Association provided for a timely report in accordance with R.S. 24:513.

The Association's report will be submitted to the Legislative Auditor before statutory due date of December 31, 2019.

11. Inquire of management and report whether the Association entered 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 Association was not in compliance with R.S. 24:513 (the audit law).

The Association's management represented that the Association did not enter into any contracts during the fiscal year that were subject to the public bid law.

Prior-Year Comments

12. Obtain and report management's representation as to whether any prior year suggestions, exceptions, recommendations, and/or comments have been resolved.

Not applicable. Fiscal year ended June 30, 2019 is the first year this type of report is issued.



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This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in the *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Association's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Association's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Postlethwaite & Netterville

Donaldsonville, Louisiana
September 26, 2019

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

_____ (Date Transmitted)

Postlethwaite & Netterville, APAC _____ (CPA Firm Name)
215 St. Patrick Street _____ (CPA Firm Address)
Donaldsonville, LA 70346 _____ (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2019 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

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 []

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

Yes [] No []

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

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

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 []

Budget

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

Yes [] No []

Reporting

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [] No []

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 []

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 []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants 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 your report.

Yes [] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [] No []

The previous responses have been made to the best of our belief and knowledge.

<u>Darryl J. Bayless</u>	Secretary	<u>8/28/19</u>	Date
<u>Wayne M. [unclear]</u>	Treasurer	<u>8/28/19</u>	Date
<u>Daniel [unclear]</u>	President	<u>8-28-19</u>	Date

To the Board of Directors
Assumption Association for Retarded Citizens, Inc.
Napoleonville, LA.

We have reviewed the statement of financial position of the Assumption Association for Retarded Citizens, Inc. (a nonprofit organization) (the Association) as of June 30, 2019 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Association's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

During our review of the Association's financial statements as of June 30, 2019, we became aware of the following matters that represents opportunities for improving financial reporting and refining policies and procedures. The following items summarize our comments and suggestions regarding these matters. This letter does not affect our review report dated September 20, 2019 on the financial statements of the Association.

ML-2019-001 Financial Reporting

- Condition:** During our review of the financial statements, we noted several accounts which required adjustment in order for them to properly reflect end of year balances. These accounts included property and equipment, accounts receivable, investment income, and net assets. Equipment that was received from grantor agencies and the corresponding revenue was not recorded in the accounting records. The sub ledger for accounts receivable had not been reconciled to the general ledger. Investment income was misclassified in the accounting records.
- Recommendations:** Equipment that is awarded to the Association through grants should be recorded in the accounting records as the respective equipment is received by the Association. A sub ledger of accounts receivable should be maintained and reconciled to the general ledger each month. Investment income should be properly recorded to assist management with ensuring compliance with their investment strategy.
- Management's Response:** See management's response attached.

ML-2019-02 IT Best Practices

- Conditions:** The accounting software is maintained on one computer and is password protected. Additional personnel have separate logins and passwords to the accounting software, but this information has been shared amongst these employees. Therefore, this eliminates the security of having separate logins and passwords for each employee that may need access to the software. Additionally, while the accounting data is backed up on a daily basis, these backups have not been tested to ensure that they are complete and recoverable.
- Recommendations:** Logins and passwords should be unique and should not be shared amongst personnel. Additionally, testing of backups of data for completeness and recoverability should be performed monthly.
- Management's Response:** See management's response attached.

Status of Prior Year Findings and Recommendations

2018-001 Segregation of Duties

Condition: There is improper segregation of duties over the activities of cash receipts. The accounting coordinator performs the duties of both handling cash and checks received by the Association as well as recoding and depositing these receipts into the accounting system.

Current Status: Resolved

2018-002 Internal Control over Financial Reporting

Condition: As part of the audit process, we have always assisted management in drafting the financial statements and related notes for the year-end audit procedures. Because our involvement is so key to that process, that is an indication that the internal control over year-end GAAP financial statements by the Association is not sufficient.

Current Status: A similar finding is included above as ML 2019-01 Financial Reporting.

Status of Prior Year Management Letter Comments

ML-2018-001 IT Best Practices

Findings:

The accounting software is maintained on one computer and is password protected. However, this computer is not locked when left unattended. Additional personnel have separate logins and passwords to the accounting software, but this information has been shared amongst these employees. Therefore, this eliminates the security of having separate logins and passwords for each employee that may need access to the software. Additionally, while the accounting data is backed up on a daily basis, these backups have not been tested to ensure that they are complete and recoverable.

Current Status:

This is repeated for the current year.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience. We would also welcome any opportunity to perform any additional study of these matters or to assist you in implementing the recommendations. We would also like to thank the Association's staff for their cooperation with us during the performance of the review.

This information is intended solely for the information and use of the Board and management of the Assumption Association for Retarded Citizens, Inc. and is not intended to be and should not be used for any other purpose.

Postlethwaite & Netterville

Donaldsonville, Louisiana
September 26, 2019



BOARD MEMBERS

Daniel Landry, President
Larry Boudreaux, Vice President
Wayne Arboneaux, Secretary
Alvin Campo
Rene Daze
Susan Harrison
Patricia Verrette

P.O. Drawer 1040
4201 Highway 1
Napoleonville, LA 70390
(985) 369-2907/2908

Sarah Olivo
Executive Director
solivo@aacrcinc.org

October 9, 2019

Louisiana Legislative Auditor

Assumption Association for Retarded Citizens, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2018.

Name and address of independent public accounting firm: Postlethwaite & Netterville, APAC
P.O. Box 1190
Donaldsonville, LA 70346

Financial Statement Period: July 1, 2018 – June 30, 2019

The findings from the Schedule of Findings and Recommendations and Management Letter are discussed below. The findings are numbered consistently with the numbers assigned in the Schedule of Findings and Recommendations and the Management Letter.

ML - 2019 – 001 FINANCIAL REPORTING

Finding: It was noted that several accounts required adjustment in order for them to properly reflect year end balances. These accounts included property and equipment, accounts receivable, investment income, and net assets. Equipment that was received from grantor agencies and the corresponding revenue was not recorded in the accounting records. The sub ledger for accounts receivable had not been reconciled to the general ledger. Investment income was misclassified in the accounting records.

Action Taken: Assumption ARC realizes that there may be a need for adjusting entries at year end. We will continue to strive for excellence within our control. All accounts will be reconciled



and the Executive Director will sign off with approval. In regards to accounts receivable, better options for programs are still being explored.

ML - 2019 – 002 IT BEST PRACTICES

Finding: It was noted that the accounting software is maintained on one computer and is password protected. Additional personnel have separate logins and passwords to the accounting software, but this information has been shared amongst these employees. Therefore, this eliminates the security of having separate logins and passwords for each employee that may need access to the software. Additionally, while the accounting data is backed up on a daily basis, these backups have not been tested to ensure that they are complete and recoverable.

Action Taken: Logins and passwords will be updated and not shared among personnel. Assumption ARC will explore options for backup systems that meet the needs of the agency. The new system will give Assumption ARC the opportunity to test our backups for recoverability.

The above corrective action plan addresses the current year findings. If you need additional information concerning the corrective action plan, please contact Sarah Olivo, Executive Director, P.O. Box 1040, Napoleonville, La 70390.



Sarah Olivo

Executive Director

Assumption Association for Retarded Citizens, Inc.