

**VOLUNTEERS OF AMERICA  
SOUTH CENTRAL LOUISIANA, INC.  
AND HUMAN SERVICES OF GREATER  
BATON ROUGE, INC.**

Audits of Consolidated Financial Statements

June 30, 2025 and 2024



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## **Independent Auditor's Report**

To the Board of Directors  
Volunteers of America South Central Louisiana, Inc. and  
Human Services of Greater Baton Rouge, Inc.  
Baton Rouge, Louisiana

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of Volunteers of America South Central Louisiana, Inc. and Human Services of Greater Baton Rouge, Inc. (the Organization), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

**Supplementary Information**

Our audits were 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 agency head and consolidating schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying schedule of compensation, benefits, and other payments to agency head and consolidating schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2025, on our consideration of the Organization'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Covington, LA  
November 26, 2025

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statements of Financial Position  
June 30, 2025 and 2024**

	2025	2024
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 2,623,641	\$ 326,615
Accounts Receivable, Net of Allowance for Credit Losses of \$88,917 at 2025 and \$143,668 at 2024	3,127,842	4,235,018
Pledges Receivable Current, Net	58,055	56,870
Prepaid Expenses	1,034,669	930,800
<b>Total Current Assets</b>	<b>6,844,207</b>	<b>5,549,303</b>
<b>Fixed Assets, Net</b>	<b>1,811,589</b>	<b>2,028,570</b>
<b>Other Assets</b>		
Investments	9,304,482	7,498,846
Pledges Receivable - Long-Term, Net	79,953	77,682
Intangible Assets	150,000	150,000
Right-of-Use Assets - Operating Leases	3,288,141	3,772,785
Right-of-Use Assets - Finance Leases, Net	99,409	104,006
Other Assets	51,264	45,764
<b>Total Other Assets</b>	<b>12,973,249</b>	<b>11,649,083</b>
<b>Total Assets</b>	<b>\$ 21,629,045</b>	<b>\$ 19,226,956</b>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**  
Consolidated Statements of Financial Position (Continued)  
June 30, 2025 and 2024

	2025	2024
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Line of Credit	\$ 589,208	\$ 792,853
Accounts Payable	591,359	836,938
Accrued Expenses	1,529,588	1,166,091
Operating Lease Liabilities, Current Portion	373,442	465,008
Finance Lease Liabilities, Current Portion	38,176	33,276
Notes Payable	656,384	601,590
	<u>3,778,157</u>	<u>3,895,756</u>
<b>Long-Term Liabilities</b>		
Operating Lease Liabilities, Less Current Portion	3,027,060	3,400,502
Finance Lease Liabilities, Less Current Portion	62,133	69,361
	<u>3,089,193</u>	<u>3,469,863</u>
	<u>6,867,350</u>	<u>7,365,619</u>
<b>Net Assets</b>		
Net Assets Without Donor Restrictions	1,972,116	3,122,698
Net Assets With Donor Restrictions	12,789,579	8,738,639
	<u>14,761,695</u>	<u>11,861,337</u>
	<u>\$ 21,629,045</u>	<u>\$ 19,226,956</u>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statement of Activities  
For the Year Ended June 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, Support, and Gains</b>			
Public Support Received Directly			
Contributions	\$ 800,432	\$ 4,000,000	\$ 4,800,432
Contributions, In-Kind	341,708	-	341,708
Public Support Received Indirectly			
United Way Allocations	106,250	-	106,250
<b>Total Public Support</b>	<b>1,248,390</b>	<b>4,000,000</b>	<b>5,248,390</b>
<b>Revenues and Grants from Governmental Agencies</b>	<b>18,631,718</b>	<b>-</b>	<b>18,631,718</b>
<b>Other Revenue</b>			
Program Service Fees	385,316	-	385,316
Rental Income	250,940	-	250,940
Miscellaneous	21,850	-	21,850
<b>Total Other Revenue</b>	<b>658,106</b>	<b>-</b>	<b>658,106</b>
<b>Total Revenue, Support, and Gains</b>	<b>20,538,214</b>	<b>4,000,000</b>	<b>24,538,214</b>
<b>Operating Expenses</b>			
<b>Program Services</b>			
Encouraging Positive Development	5,749,882	-	5,749,882
Fostering Independence	8,274,564	-	8,274,564
Promoting Self-Sufficiency	4,330,598	-	4,330,598
<b>Total Program Services</b>	<b>18,355,044</b>	<b>-</b>	<b>18,355,044</b>
<b>Supporting Services</b>			
Management and General	3,769,392	-	3,769,392
Fundraising	283,622	-	283,622
<b>Total Supporting Services</b>	<b>4,053,014</b>	<b>-</b>	<b>4,053,014</b>
<b>Total Operating Expenses</b>	<b>22,408,058</b>	<b>-</b>	<b>22,408,058</b>
<b>(Deficit) Surplus from Operations</b>	<b>(1,869,844)</b>	<b>4,000,000</b>	<b>2,130,156</b>
<b>Other Activities</b>			
Net Investment Return	719,262	50,940	770,202
<b>Surplus from Other Activities</b>	<b>719,262</b>	<b>50,940</b>	<b>770,202</b>
<b>Change in Net Assets</b>	<b>(1,150,582)</b>	<b>4,050,940</b>	<b>2,900,358</b>
<b>Net Assets, Beginning of Year</b>	<b>3,122,698</b>	<b>8,738,639</b>	<b>11,861,337</b>
<b>Net Assets, End of Year</b>	<b>\$ 1,972,116</b>	<b>\$ 12,789,579</b>	<b>\$ 14,761,695</b>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statement of Activities  
For the Year Ended June 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, Support, and Gains</b>			
Public Support Received Directly			
Contributions	\$ 901,397	\$ 2,002,471	\$ 2,903,868
Contributions, In-Kind	298,050	-	298,050
Public Support Received Indirectly			
United Way Allocations	181,161	-	181,161
<b>Total Public Support</b>	<b>1,380,608</b>	<b>2,002,471</b>	<b>3,383,079</b>
<b>Revenues and Grants from Governmental Agencies</b>	<b>19,256,697</b>	<b>-</b>	<b>19,256,697</b>
<b>Other Revenue</b>			
Program Service Fees	411,004	-	411,004
Rental Income	216,438	-	216,438
Miscellaneous	44,459	-	44,459
<b>Total Other Revenue</b>	<b>671,901</b>	<b>-</b>	<b>671,901</b>
<b>Total Revenue, Support, and Gains</b>	<b>21,309,206</b>	<b>2,002,471</b>	<b>23,311,677</b>
<b>Operating Expenses</b>			
<b>Program Services</b>			
Encouraging Positive Development	5,879,848	-	5,879,848
Fostering Independence	8,771,904	-	8,771,904
Promoting Self-Sufficiency	4,153,571	-	4,153,571
<b>Total Program Services</b>	<b>18,805,323</b>	<b>-</b>	<b>18,805,323</b>
<b>Supporting Services</b>			
Management and General	3,501,476	-	3,501,476
Fundraising	237,359	-	237,359
<b>Total Supporting Services</b>	<b>3,738,835</b>	<b>-</b>	<b>3,738,835</b>
<b>Total Operating Expenses</b>	<b>22,544,158</b>	<b>-</b>	<b>22,544,158</b>
<b>(Deficit) Surplus from Operations</b>	<b>(1,234,952)</b>	<b>2,002,471</b>	<b>767,519</b>
<b>Other Activities</b>			
Net Investment Return	551,497	44,232	595,729
<b>Surplus from Other Activities</b>	<b>551,497</b>	<b>44,232</b>	<b>595,729</b>
<b>Change in Net Assets</b>	<b>(683,455)</b>	<b>2,046,703</b>	<b>1,363,248</b>
<b>Net Assets, Beginning of Year</b>	<b>3,806,153</b>	<b>6,691,936</b>	<b>10,498,089</b>
<b>Net Assets, End of Year</b>	<b>\$ 3,122,698</b>	<b>\$ 8,738,639</b>	<b>\$ 11,861,337</b>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statement of Functional Expenses  
For the Year Ended June 30, 2025**

	Program Services				Supporting Services			2025 Total
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Subtotal	Management and General	Fundraising	Subtotal	
Salaries and Wages	\$ 2,519,280	\$ 5,139,195	\$ 1,280,475	\$ 8,938,950	\$ 1,903,644	\$ 141,411	\$ 2,045,055	\$ 10,984,005
Employee Benefits	332,018	696,910	176,465	1,205,393	171,071	14,464	185,535	1,390,928
Professional Services	735,970	547,808	158,097	1,441,875	1,043,759	51,130	1,094,889	2,536,764
Occupancy Expenses	141,655	148,901	374,487	665,043	100,182	19,334	119,516	784,559
Specific Assistance to Individuals	1,327,650	843,086	1,961,744	4,132,480	3,173	10,022	13,195	4,145,675
Program Supplies and Equipment	206,711	163,583	47,502	417,796	30,053	6,919	36,972	454,768
Office Supplies and Expenses	244,848	467,596	175,006	887,450	205,659	1,415	207,074	1,094,524
Travel, Conferences, and Meetings	183,611	179,241	61,993	424,845	104,435	310	104,745	529,590
Depreciation and Amortization	36,530	75,375	94,364	206,269	47,161	-	47,161	253,430
Interest	-	-	-	-	66,593	-	66,593	66,593
Other	21,609	12,869	465	34,943	93,662	38,617	132,279	167,222
<b>Total</b>	<b>\$ 5,749,882</b>	<b>\$ 8,274,564</b>	<b>\$ 4,330,598</b>	<b>\$ 18,355,044</b>	<b>\$ 3,769,392</b>	<b>\$ 283,622</b>	<b>\$ 4,053,014</b>	<b>\$ 22,408,058</b>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statement of Functional Expenses  
For the Year Ended June 30, 2024**

	Program Services				Supporting Services			2024 Total
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Subtotal	Management and General	Fundraising	Subtotal	
Salaries and Wages	\$ 2,462,885	\$ 5,548,304	\$ 1,142,625	\$ 9,153,814	\$ 1,695,558	\$ 148,903	\$ 1,844,461	\$ 10,998,275
Employee Benefits	336,313	741,279	163,531	1,241,123	159,384	16,256	175,640	1,416,763
Professional Services	706,564	560,243	138,229	1,405,036	1,011,670	30,582	1,042,252	2,447,288
Occupancy Expenses	107,468	144,164	219,943	471,575	107,300	1,186	108,486	580,061
Specific Assistance to Individuals	1,190,869	893,975	2,123,004	4,207,848	6,306	-	6,306	4,214,154
Program Supplies and Equipment	609,359	171,738	50,977	832,074	36,189	8,451	44,640	876,714
Office Supplies and Expenses	237,256	454,085	119,534	810,875	235,498	11,792	247,290	1,058,165
Travel, Conferences, and Meetings	174,888	169,018	67,944	411,850	98,473	655	99,128	510,978
Depreciation and Amortization	47,062	76,638	126,653	250,353	69,092	-	69,092	319,445
Interest	-	-	-	-	58,308	-	58,308	58,308
Other	7,184	12,460	1,131	20,775	23,698	19,534	43,232	64,007
<b>Total</b>	<b>\$ 5,879,848</b>	<b>\$ 8,771,904</b>	<b>\$ 4,153,571</b>	<b>\$ 18,805,323</b>	<b>\$ 3,501,476</b>	<b>\$ 237,359</b>	<b>\$ 3,738,835</b>	<b>\$ 22,544,158</b>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statements of Cash Flows  
For the Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 2,900,358	\$ 1,363,248
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	253,430	319,445
Amortization of Right-of-Use Asset	484,643	491,907
Net Realized and Unrealized Gain on Investments	(463,339)	(401,955)
Credit Loss Expense	146,362	28,855
(Increase) Decrease in Operating Assets		
Accounts Receivable, Net	960,814	(1,214,409)
Pledges Receivable, Net	(3,456)	(17,854)
Prepaid Expenses	552,515	356,061
Other Assets	(5,500)	-
Increase (Decrease) in Operating Liabilities		
Accounts Payable	(245,579)	343,195
Operating Lease Liabilities	(465,008)	(452,723)
Accrued Expenses	363,497	136,660
<b>Net Cash Provided by Operating Activities</b>	<b>4,478,737</b>	<b>952,430</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Fixed Assets	-	(168,606)
Purchases of Investments	(1,992,297)	(4,821,539)
Proceeds from Sales of Investments	650,000	2,986,199
<b>Net Cash Used in Investing Activities</b>	<b>(1,342,297)</b>	<b>(2,003,946)</b>

The accompanying notes are an integral part of these consolidated financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidated Statements of Cash Flows (Continued)  
For the Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Cash Flows from Financing Activities</b>		
Proceeds from Issuance of Line of Credit	15,705,076	14,520,051
Repayments on Line of Credit	(15,908,721)	(13,727,198)
Repayments of Notes Payable	(601,590)	(415,945)
Principal Payments on Finance Leases	(34,179)	(23,311)
	<u>(839,414)</u>	<u>353,597</u>
<b>Net Cash (Used in) Provided by Financing Activities</b>	<b>(839,414)</b>	<b>353,597</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>2,297,026</b>	<b>(697,919)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>326,615</b>	<b>1,024,534</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 2,623,641</b>	<b>\$ 326,615</b>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash Payments for Interest	<u>\$ 66,593</u>	<u>\$ 58,308</u>
<b>Supplemental Disclosures of Non-Cash Transactions</b>		
Financed Insurance Premiums	<u>\$ 656,384</u>	<u>\$ 601,590</u>
Recognition of Operating Lease Right-of-Use Assets and Liabilities	<u>\$ -</u>	<u>\$ 168,182</u>
Recognition of Finance Lease Right-of-Use Assets and Liabilities	<u>\$ 31,851</u>	<u>\$ 77,517</u>

The accompanying notes are an integral part of these consolidated financial statements.

# **VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

## **Notes to Consolidated Financial Statements**

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### **Note 1. Organization**

Volunteers of America, Greater Baton Rouge, Inc. officially changed its name to Volunteers of America South Central Louisiana, Inc. effective June 27, 2022. Volunteers of America South Central Louisiana, Inc. is a nonprofit faith based human services organization, recognized as a church, incorporated in the State of Louisiana that provides social services within the Greater Baton Rouge, Acadiana, and Southwest Louisiana areas under a charter from Volunteers of America, Inc., a national nonprofit faith based organization providing local human service programs, and opportunities for individual and community involvement. Human Services of Greater Baton Rouge, Inc. is a nonprofit organization incorporated in the State of Louisiana which operates as a property holding corporation for Volunteers of America South Central Louisiana, Inc.

The following is a list of the Impact Areas and the program services provided in each:

#### **Encouraging Positive Development**

Volunteers of America South Central Louisiana, Inc. and Human Services of Greater Baton Rouge, Inc. (the Organization) provides services to encourage positive development for troubled and at-risk children and youth, while also promoting the healthy development of all children, adolescents, and their families. These programs provide a continuum of care and support for young people ages birth to 21 through prevention, early intervention, crisis intervention, and long-term services. This affiliate provides children and youth services.

#### **Fostering Independence**

The Organization fosters the health and independence of the elderly and persons with disabilities, mental illness, and HIV/AIDS through quality affordable housing, health care services, and a wide range of community services. This affiliate provides disability, elderly, health care, housing, and mental health services.

#### **Promoting Self-Sufficiency**

The Organization promotes self-sufficiency for individuals and families who have experienced homelessness, or other personal crisis, including chemical dependency, involvement with the corrections system and unemployment. They focus on solution-oriented approaches, using a continuum of services from prevention to intervention to long-term support. This affiliate provides community enhancement, correctional, health care, homeless, and housing services.

#### **Management and General**

This supporting service facilitates and coordinates the operations of the Organization and is used to fund operations of the Organization that are not directly covered by specific programs administered by the Organization.

#### **Fundraising**

This supporting service facilitates and coordinates the fundraising activities of the Organization. Its activities primarily consist of fundraising activities.

# VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND HUMAN SERVICES OF GREATER BATON ROUGE, INC.

## Notes to Consolidated Financial Statements

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### Note 2. Summary of Significant Accounting Policies

#### Principles of Consolidation

The accompanying financial statements include the consolidated accounts of Volunteers of America South Central Louisiana, Inc. and the related organization, Human Services of Greater Baton Rouge, Inc. All significant intercompany transactions have been eliminated.

Accounting principles generally accepted in the United States of America (U.S. GAAP) require consolidation of all entities that an Organization has both control over and an economic interest in. Volunteers of America South Central Louisiana, Inc. effectively controls the other organization's Board of Directors, and distributions made by the other organization are for the benefit of Volunteers of America South Central Louisiana, Inc.

#### Basis of Accounting

The accounting policies of the Organization conform to U.S. GAAP as applicable to voluntary health and welfare organizations. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

#### Basis of Presentation

Financial statement presentation is in accordance with the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Accordingly, the Organization is required to report information regarding its financial position and activities according to the existence or absence of donor-imposed restrictions.

Net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - Net assets available for general use and not subject to donor restrictions.

*Net Assets With Donor Restrictions* - Net assets whose use is limited by donor- or grantor- imposed time and/or purpose restrictions. Contributions with donor restrictions are reported as revenues with donor restrictions. Once funds are expended for their restricted purpose, these net assets with donor restrictions are released to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

As of June 30, 2025 and 2024, there was \$12,789,579 and \$8,738,639, respectively, of net assets with donor restrictions.

#### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, unless held for reinvestment as part of the investment portfolio, pledged to secure loan agreements, or otherwise designated or restricted. The carrying amount approximates fair value because of the short-term maturity of those instruments.

**Accounts Receivable**

Accounts receivable are carried at original invoice amount, net of an allowance for credit losses. Management determines the allowance using an estimate of expected credit losses, applied to customer groupings with similar risk characteristics, based on historical experience, current economic conditions, and certain forward-looking information. Account balances are written-off against the established allowance when management determines it is probable the receivable will not be collected. The allowance for credit losses totaled \$88,917 and \$143,668 at June 30, 2025 and 2024, respectively.

The opening balance in accounts receivable as of July 1, 2023, totaled \$3,049,464.

**Allowance for Credit Losses**

The following table represents an analysis of the activity in the allowance for credit losses for the years ended June 30, 2025 and 2024.

	2025	2024
<b>Beginning Balance</b>	<b>\$ 143,668</b>	<b>\$ 205,000</b>
Charge-Offs	<b>(201,113)</b>	(90,187)
Recoveries	-	-
Net Charge-Offs	<b>(201,113)</b>	(90,187)
Provisions for Credit Losses	<b>146,362</b>	28,855
<b>Ending Balance</b>	<b>\$ 88,917</b>	<b>\$ 143,668</b>

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated statements of financial position. See Note 19 for discussion of fair value measurement. Net investment return (including realized and unrealized gains and losses on investments, interest, dividends, and expenses) is included in the change in net assets.

**Allowance for Credit Losses - Debt Securities**

Debt securities with a fair value less than its amortized cost basis is considered impaired. Management evaluates debt securities in an unrealized loss position on an annual basis, and more frequently when economic or market conditions warrant such evaluation. If the Organization has the intent to sell the security, or it is more likely than not that the Organization will be required to sell the security, the total impairment loss is recognized as an adjustment to the amortized cost basis of the of the investment and reflected in the consolidated statements of activities. The new amortized cost basis is not adjusted for subsequent recoveries in fair value.

If the Organization does not have the intent to sell and determines that it is not more likely than not that it will be required to sell the security, management evaluates whether the decline in fair value is the result of credit losses or other factors. In making the assessment, management may consider various factors including the extent to which fair value is less than amortized cost, performance on any underlying collateral, downgrades in the ratings of the security by a rating agency, the failure of the issuer to make scheduled interest or principal payments and adverse conditions specifically related to the security. If the assessment indicates that a credit loss exists, the present value of cash flows expected to be collected is compared to the amortized cost basis of the security. To the extent that the security's amortized cost basis exceeds the present value of cash flows expected to be collected, an allowance for credit losses is recorded. Recoveries of credit losses can be reversed in subsequent periods. At June 30, 2025 and 2024, there was no allowance for credit loss related to their debt securities.

**Pledges Receivable**

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

The Organization uses the allowance method to determine uncollectible promises for unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Fixed Assets**

Land, buildings, and equipment purchased by the Organization are recorded at cost. The Organization follows the practice of capitalizing all expenditures for land, buildings, and equipment over \$5,000; the fair value of donated fixed assets is similarly capitalized. Depreciation is computed on the straight-line method based upon the estimated useful lives of the assets.

The Organization expenses purchases of property bought with funds from cost reimbursement grants from various State and Federal agencies. Special provisions contained in the State contracts specify that ownership of all property purchased shall revert back to the grantor after a specified term or under certain conditions pursuant to the contractual agreement.

Depreciation and amortization are computed using the straight-line method based upon the following estimated useful lives of the assets:

Building and Improvements	15 - 30 Years
Vehicles	5 Years
Furniture and Equipment	5 - 10 Years

**Intangible Assets**

Intangible assets totaling \$150,000 consist of bed rights purchased by the Organization. Generally accepted accounting principles require that the value of the bed rights be evaluated annually to determine whether the amount reflected in the consolidated statements of financial position as an asset has been impaired. In management's opinion, there has been no impairment to the value of the bed rights during the year ended June 30, 2025 and 2024.

**Revenue Recognition**

The Organization's revenue is primarily from contributions, grants, rental income, and program service fees.

The Organization follows the FASB issued ASC Topic 606, *Revenue from Contracts with Customers*, a five-step model to recognize revenue from customer contracts in an effort to increase consistency and comparability throughout global capital markets and across industries. The model identifies the contract, any separate performance obligations in the contract, determines the transaction price, allocates the transaction price, and recognizes revenue when the performance obligations are satisfied. However, this standard does not affect revenue streams that are addressed by other standards such as leases under Topic 842 and contributions under Topic 958. Management determined that ASC Topic 606 applies to revenues from program service fees and does not impact the timing of revenue recognition for grants and rental income.

# **VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

## **Notes to Consolidated Financial Statements**

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### **Note 2. Summary of Significant Accounting Policies (Continued)**

#### **Revenue Recognition (Continued)**

The Organization's rental income is derived from the leasing of commercial and residential properties and is accounted for on an accrual basis in accordance with Topic 842. Lease agreements may include escalation provisions, and as such, rental income is recognized on a straight-line basis with an offset to straight-line rent receivables.

Contributions are generally recorded only upon receipt, unless evidence of an unconditional promise to give (pledge) has been received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. Conditional promises to give are not included as support until such time as the conditions are substantially met. All contributions are considered available for use to meet general expenditures unless specifically restricted by the donor.

A significant portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statements of financial position. As of June 30, 2025 and 2024, there have been no cost reimbursable grants received in advance of qualifying expenditures.

Program service fees are earned for managing the operations of real estate assets and are generally based on a fixed percentage of the revenues generated from the respective real estate assets. Program service fees are recognized based on a percentage of collected rents at the properties under management, and not on a straight-line basis, because such fees are contingent upon the collection of rents.

#### **Income Taxes**

Under provision of Section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the State of Louisiana, the Organization. are exempt from income taxes, except for net income from unrelated business income, as subordinate units of Volunteers of America, Inc. Volunteers of America, Inc. is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code as a religious organization described in Section 501(c)(3). There were no unrelated business activities in 2025 or 2024. Accordingly, no tax expense was incurred during the years ended June 30, 2025 and 2024.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes that it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Income Taxes (Continued)**

Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

**Advertising Expenses**

The Organization expenses the costs of advertising as incurred. There were no advertising expenses for the years ended June 30, 2025 and 2024.

**Functional Allocation of Expenses**

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the various functions based on the recording of expenses to individual cost centers assigned to each functional expense category. Estimated allocations are determined by management on an equitable basis. The expenses that are allocated include salaries and wages and employee benefits based on management's best estimate of time and effort spent on these cost centers and certain insurance expenses included in professional services are allocated based on actual costs incurred in the various program and supportive services.

**Summary Financial Information for 2024**

The financial statements and supplementary information for the year ended June 30, 2025 contained certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements and related notes of the financial statements for the year ended June 30, 2024, from which the summarized information was derived.

**Leases**

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the assets are used during the term of the contract. The Organization also considers whether its service arrangements include the right to control the use of an asset.

The Organization recognizes most leases on its consolidated statement of financial position as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the consolidated statement of activities.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

**Leases (Continued)**

The Organization made an accounting policy election available not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct cost incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Organization made an account policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed-rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Organization has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its real estate, vehicle, and equipment asset classes. The nonlease components typically represent additional services transferred to the Organization, such as common areas maintenance for real estate which are variable in nature and recorded in variable lease expense in the period incurred.

**Reclassification of Net Assets**

During the current year, the Organization identified amounts previously reported as net assets without donor restrictions that should have been classified as net assets with donor restrictions based on donor-imposed conditions. Prior year amounts have been reclassified to conform to the current year presentation. This reclassification did not impact the total net assets or the change in net assets previously reported.

**Note 3. Liquidity and Availability**

The following reflects the Organization's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated statements of financial position date. The Organization's goal is to maintain liquid financial assets to meet 90 days of operating expenses. The Organization has a \$1,150,000 line of credit and a line of credit in an amount not to exceed 50% of its asset value in the Volunteers of America National Pooled Investment interest available to meet cash flow needs. There is an outstanding balance totaling \$589,208 and \$792,853 on the line of credit at June 30, 2025 and 2024, respectively.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

**Note 3. Liquidity and Availability (Continued)**

	<b>2025</b>	2024
Cash and Cash Equivalents	\$ 2,623,641	\$ 286,539
Accounts Receivable, Net	3,127,842	4,235,018
Pledges Receivable	58,055	56,870
<b>Total</b>	<b>\$ 5,809,538</b>	<b>\$ 4,578,427</b>

**Note 4. In-Kind Contributions**

For the years ended June 30, 2025 and 2024, contributed nonfinancial assets recognized within the consolidated statements of activities included:

	<b>2025</b>	2024
Clothing	\$ 69,403	\$ 24,345
Toys	5,885	5,390
Food	86,856	24,824
Gifts	55,860	46,671
Furniture	12,206	18,149
Household Goods	78,935	110,257
Rent	27,563	40,000
Services	5,000	28,414
<b>Total</b>	<b>\$ 341,708</b>	<b>\$ 298,050</b>

Volunteers of America South Central Louisiana, Inc. recognized contributed nonfinancial assets within revenue, including contributed clothing, toys, food, gifts, furniture, household goods, rent, and services. Unless otherwise noted, contributed non-financial assets did not have donor-imposed restrictions. The Organization does not sell donated gifts in kind and only uses services, goods, and facilities for its own programs or supporting service activities.

Clothing, toys, food, gifts, furniture, household goods, and services were valued using estimated average U.S. prices of identical or similar products or services using pricing data of similar products or services under a “like-kind” methodology, considering the utility of the goods or services at the time of the contribution. Contributed rent was valued using like-kind methodology for similar size facilities in the Baton Rouge, Louisiana area.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 5. Pledges Receivable**

At June 30, 2025 and 2024, amounts included in pledges receivable were as follows:

	<b>2025</b>	<b>2024</b>
Pledges Receivable	\$ <b>162,056</b>	\$ 168,830
Less: Allowance for Uncollectible Amounts	<b>(11,235)</b>	(16,700)
Less: Discount to Present Value	<b>(12,813)</b>	(17,578)
<b>Pledges Receivable, Net</b>	<b>\$ 138,008</b>	<b>\$ 134,552</b>

Pledges receivable at June 30, 2025 and 2024 are due as follows:

	<b>2025</b>	<b>2024</b>
Receivable in Less than One Year	\$ <b>67,248</b>	\$ 60,094
Receivable in One to Five Years	<b>94,808</b>	108,736
<b>Total Pledges Receivable</b>	<b>\$ 162,056</b>	<b>\$ 168,830</b>

Pledges receivable due in more than one year are discounted at 3.81% and 4.86% at June 30, 2025 and 2024, respectively.

**Note 6. Concentration of Credit Risk**

Included in receivables are amounts due for program services provided to various agencies of the State of Louisiana and grant funds due from federal and state agencies.

The Organization maintains deposits in financial institutions that at times exceed the insured amount of \$250,000 by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization believes it is not exposed to any significant credit risk to cash. At June 30, 2025 and 2024, the Organization had \$1,784,749 and \$-0-, respectively, in excess of the FDIC insured limit.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 7. Fixed Assets**

At June 30, 2025 and 2024, fixed assets consisted of the following:

	2025	2024
Land	\$ 292,255	\$ 292,255
Buildings and Improvements	4,243,847	4,243,847
Vehicles	263,696	263,696
Furniture and Equipment	764,319	764,319
	<u>5,564,117</u>	<u>5,564,117</u>
Less: Accumulated Depreciation	<u>(3,752,528)</u>	<u>(3,535,547)</u>
<b>Total Fixed Assets, Net</b>	<b><u>\$ 1,811,589</u></b>	<b><u>\$ 2,028,570</u></b>

Depreciation expense totaled \$216,982 and \$296,884 for the years ended June 30, 2025 and 2024, respectively.

**Note 8. Related-Party Transactions**

The Organization is affiliated with Volunteers of America, Inc., which provides administrative services to the Organization for a fee. Affiliate fees for the fiscal years ended June 30, 2025 and 2024 totaled \$501,679 and \$576,014, respectively. The Organization also participates in the direct mail and scholastic book campaign sponsored by Volunteers of America, Inc. The Organization has a line of credit from Volunteers of America, Inc. as discussed in Note 12.

Volunteers of America South Central Louisiana, Inc. acts as a management agent for various U.S. Department of Housing and Urban Development (HUD) housing complexes. The total amount due to Volunteers of America South Central Louisiana, Inc. as of June 30, 2025 and 2024 totaled \$988,336 and \$1,205,745, respectively. This amount is included in accounts receivable in the accompanying financial statements. At June 30, 2025, Volunteers of America South Central Louisiana, Inc. has an amount due to HUD totaling \$400,000. This amount is included in accrued expenses in the accompanying financial statements. There were no amounts due to HUD at June 30, 2024.

The Organization has an amount due from Volunteers of America North Louisiana totaling \$-0- and \$9,035 at June 30, 2025 and 2024, respectively. This amount is included in accounts receivable in the accompanying financial statements.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 9. Restrictions on Net Assets**

At June 30, 2025 and 2024, net assets with donor restrictions comprised of donor-imposed stipulations that expire when the purpose restriction is accomplished were as follows:

	<b>2025</b>	<b>2024</b>
Greater Baton Rouge Area	\$ <b>12,252,601</b>	\$ 8,252,601
Family Fund Endowment	<b>124,722</b>	73,782
Property Acquisitions	<b>30,000</b>	30,000
Clothing for Residents	<b>2,601</b>	2,601
	<hr/>	<hr/>
<b>Total Net Assets With Donor Restrictions for Purpose</b>	<b>\$ 12,409,924</b>	<b>\$ 8,358,984</b>

At June 30, 2025 and 2024, the following net assets with donor restrictions are to be held in perpetuity:

	<b>2025</b>	<b>2024</b>
Family Fund Endowment	\$ <b>377,155</b>	\$ 377,155
Clothing for Residents	<b>2,500</b>	2,500
	<hr/>	<hr/>
<b>Total Net Assets With Donor Restrictions to be Held in Perpetuity</b>	<b>\$ 379,655</b>	<b>\$ 379,655</b>
	<hr/>	<hr/>
<b>Total Net Assets With Donor Restrictions</b>	<b>\$ 12,789,579</b>	<b>\$ 8,738,639</b>

**Note 10. Endowment Funds**

A version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) was adopted by the State of Louisiana on July 1, 2010. The new law updated the fundamental investment principles contained in the prior law (UMIFA), by providing standards to establish investment policies in a prudent manner by establishing a duty to minimize cost, diversify the investments, investigate facts relevant to the investment of the fund, consider tax consequences of investment decisions and to ensure that investment decisions be made in light of the fund's entire portfolio as a part of an investment strategy having risk and return objectives reasonably suited to the fund and to the Organization.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 10. Endowment Funds (Continued)**

UPMIFA also permits the Organization to accumulate for expenditure so much of an endowment fund as the Organization determines to be prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, thereby eliminating the restriction that a fund could not be spent below its historical dollar value. Seven criteria are to be used to guide the Organization in its yearly expenditure decisions:

- Duration and preservation of the endowment funds,
- The purposes of the Organization and the endowment funds,
- General economic conditions,
- Effect of inflation or deflation,
- The expected total return from income and the appreciation of investments,
- Other resources of the Organization, and
- The investment policy of the Organization.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. At June 30, 2025 and 2024 there were no underwater endowment funds.

The Organization has a policy that permits spending from underwater endowments depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. There were no expenditures from underwater endowment funds during the year.

The Organization has followed the policy of investing its endowment funds in a pooled investment program containing various investment securities. As required by generally accepted accounting principles, and in accordance with the terms of the fund agreements, these endowment funds and the net appreciation (depreciation) of these funds are recorded as net assets with donor restrictions that are perpetual in nature in these financial statements. The historical cost of the net assets associated with the endowment funds will be preserved, and any remaining net depreciation is included in net assets with donor restrictions.

Endowment net asset composition as of June 30, 2025 and 2024 is as follows:

	<b>2025</b>	<b>2024</b>
<b>With Donor Restrictions</b>		
Restricted for Purpose	\$ 127,323	\$ 76,383
Restricted in Perpetuity	379,655	379,655
<b>Total</b>	<b>\$ 506,978</b>	<b>\$ 456,038</b>

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**Notes to Consolidated Financial Statements**

**Note 10. Endowment Funds (Continued)**

Changes in endowment net assets for the years ended June 30, 2024 and 2023 were as follows:

	With Donor Restrictions Restricted for Purpose	With Donor Restrictions Restricted in Perpetuity	Total Endowment Net Assets
<b>Endowment Net Assets, July 1, 2024</b>	<b>\$ 76,383</b>	<b>\$ 379,655</b>	<b>\$ 456,038</b>
<b>Net Investment Return</b>	<b>50,940</b>	<b>-</b>	<b>50,940</b>
<b>Endowment Net Assets, June 30, 2025</b>	<b>\$ 127,323</b>	<b>\$ 379,655</b>	<b>\$ 506,978</b>
	With Donor Restrictions Restricted for Purpose	With Donor Restrictions Restricted in Perpetuity	Total Endowment Net Assets
Endowment Net Assets, July 1, 2023	\$ 29,680	\$ 379,655	\$ 409,335
Contributions	2,471	-	2,471
Net Investment Return	44,232	-	44,232
Endowment Net Assets, June 30, 2024	\$ 76,383	\$ 379,655	\$ 456,038

**Note 11. Notes Payable**

The following is a summary of notes payable at June 30, 2025 and 2024:

	2025	2024
Financed insurance premium with ten monthly installments of \$67,732, starting August 1, 2025, including interest at 6.90%, maturing May 1, 2026.	\$ 656,384	\$ -
Financed insurance premium with ten monthly installments of \$62,294, starting August 1, 2024, including interest at 7.67%, maturing May 1, 2025.	-	601,590
<b>Total</b>	<b>\$ 656,384</b>	<b>\$ 601,590</b>

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**Notes to Consolidated Financial Statements**

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**Note 11. Notes Payable (Continued)**

Scheduled principal payments due on the above notes payable subsequent to June 30, 2025 are as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2026	<u>\$ 656,384</u>
<b>Total</b>	<u><u>\$ 656,384</u></u>

**Note 12. Lines of Credit**

The Organization has a revolving line of credit with b1Bank with a stated maximum of \$1,150,000, which expires on November 30, 2025. The line of credit bears an interest rate of the Wall Street Journal Prime Rate plus .5%. The interest rate at June 30, 2025 was 8%. The line of credit is secured by certain properties and accounts receivable. Borrowings outstanding as of June 30, 2025 and 2024 totaled \$589,208 and \$792,853, respectively.

Under its National Pooled Investment Agreement with Volunteers of America, Inc., the Organization may request one or more lines of credit from time to time while a participant in the program in an amount up to 50% of the participant asset value. The Organization agrees to pay interest at the option of (i) the Prime-Based Rate defined as the greater of (A) 1.070% (the Prime Rate Note Floor) or (B) the Prime Rate minus 1.120%, or (ii) the Daily Simple SOFR-Based Rate, defined as the greater of (A) 1.070% (the Daily Simple SOFR Rate Note Floor) or (B) Daily Simple SOFR plus 1.070%. The asset value as of June 30, 2025 and 2024 totaled \$763,197 and \$849,359, respectively, and there are no outstanding draws on this line of credit as of June 30, 2025 and 2024.

**Note 13. Leases**

Operating Leases

The Organization leases office spaces at various locations, vehicles, and copiers under noncancelable operating leases. Monthly lease payments range from \$149 to \$29,608, expiring through June 2036.

Finance Leases

The Organization also leases copiers under agreements that are classified as finance leases. Monthly lease payments range from \$170 to \$603, expiring through April 2029.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
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**Notes to Consolidated Financial Statements**

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**Note 13. Leases (Continued)**

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense are as follows for the years ended June 30, 2025 and 2024:

	<b>2025</b>	<b>2024</b>
<b>Lease Cost</b>		
Operating Lease Cost	\$ 593,166	\$ 595,844
Variable Lease Cost	4,866	4,170
Finance Lease Cost - Amortization of Right-of-Use Assets	36,448	22,561
Finance Lease Cost - Interest on Lease Liabilities	3,329	2,393
<b>Total Lease Cost</b>	<b>\$ 637,809</b>	<b>\$ 624,968</b>

All Leases

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Supplemental consolidated statements of financial position information related to leases is as follows as of June 30, 2025 and 2024:

	<b>2025</b>	<b>2024</b>
<b>Weighted-Average Remaining Lease Term (in Years)</b>		
Operating Leases	10.12	10.55
Finance Lease	2.77	3.31
<b>Weighted-Average Discount Rate Applied (%)</b>		
Operating Leases	3.00%	3.00%
Finance Lease	3.64%	3.65%

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 13. Leases (Continued)**

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the consolidated statements of financial position are as follows as of June 30, 2025:

<b>Year Ending June 30,</b>	<b>Operating Lease</b>	<b>Finance Lease</b>
2026	\$ 469,200	\$ 41,129
2027	420,607	41,129
2028	369,840	22,846
2029	313,500	-
2030	313,500	-
Thereafter	2,069,100	-
Total Lease Payments	3,955,747	105,104
Less: Imputed Interest	(555,245)	(4,795)
Less: Lease Liabilities, Current Portion	(373,442)	(38,176)
<b>Lease Liabilities, Net of Current Portion</b>	<b>\$ 3,027,060</b>	<b>\$ 62,133</b>

**Note 14. Accrued Annual Leave**

The Organization has recorded an estimated liability for accrued leave of an amount based on the total hours of leave accumulated at June 30, 2025 and 2024, times the employee's hourly rate at June 30, 2025 and 2024. Employees accrue hours based upon their length of service. No more than 168 hours of leave can be carried over from one year to another. As of June 30, 2025 and 2024 accrued leave, totaling \$347,690 and \$357,035, respectively, is included in accrued expenses on the consolidated statements of financial position.

**Note 15. Pension Plan for Ministers**

The Organization participates in a non-contributory defined benefit pension and retirement plan. The plan is administered through a commercial insurance company and covers all ministers commissioned through December 31, 1999. Pension plan expense totaled \$34,967 and \$33,488 for the years ended June 30, 2025 and 2024, respectively.

Because the plan is a multi-employer plan, the accumulated benefits and net assets available for benefits as they relate solely to the Organization are not readily available.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 16. Thrift Plan for Employees**

The Organization has a Section 403(b) Thrift Plan that covers all employees with a minimum of one year of service. The Organization matches an amount equal to 50% of the basic employee contributions made by each participant limited to 8% of their wages. The Organization elected a three year cliff vesting option for this plan. The expense for the years ended June 30, 2025 and 2024 totaled \$51,994 and \$48,852, respectively.

**Note 17. Commitments and Contingencies**

The Organization receives financial assistance directly from federal agencies which are subject to compliance audits under Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and monitoring reviews by the granting agencies. As a result, amounts might be subject to disallowance upon acceptance of the audits and monitoring reviews by the federal granting agencies.

The Organization, in the ordinary course of business, may be involved in various legal proceedings. It is the opinion of the Organization's management that the disposition or ultimate resolution of such proceedings would not have a material effect on the Organization's financial position or the changes in net assets.

**Note 18. Fair Value of Financial Instruments**

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

*Current Assets and Liabilities:* The Organization considers the carrying amounts of financial instruments classified as current assets and liabilities to be a reasonable estimate of their fair values.

*Investments:* The fair value of the Organization's marketable equity securities are based on quoted market prices in an active market. The carrying amounts of other investments approximate fair value. See Note 19 for further details.

*Long-Term Debt:* When practicable to estimate, the fair values of the Organization's long-term financial instruments are based on (a) currently traded values of similar financial instruments, or (b) discounted cash flow methodologies utilizing currently available borrowing rates.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 19. Fair Value Measurements**

The fair value measurements are based on a framework that provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability; and
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

A description of the valuation methodologies used for assets measured at fair value is as follows:

- Certificates of deposit, common stocks, mutual funds, corporate bonds, municipal bonds, government agencies, and government bonds, when present, are valued at the closing price reported on the active market on which the individual securities are traded (Level 1 inputs). If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments (Level 2 inputs).

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

**Note 19. Fair Value Measurements (Continued)**

The following tables set forth, by level within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2025 and 2024:

<b>June 30, 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Common Stocks</b>	\$ 762,001	\$ -	\$ -	\$ 762,001
<b>Mutual Funds</b>	4,227,642	-	-	4,227,642
<b>Corporate Bonds</b>	1,436,145	234,262	-	1,670,407
<b>Municipal Bonds</b>	21,258	198,653	-	219,911
<b>Government Agencies</b>	19,400	184,640	-	204,040
<b>Government Bonds</b>	1,859,384	55,162	-	1,914,546
	<u>\$ 8,325,830</u>	<u>\$ 672,717</u>	<u>\$ -</u>	<u>8,998,547</u>
<b>Investments Measured at NAV*</b>				<u>305,935</u>
<b>Investments, at Fair Value</b>				<u>\$ 9,304,482</u>
<b>June 30, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Certificates of Deposit	\$ 113,475	\$ -	\$ -	\$ 113,475
Common Stocks	570,730	60,938	-	631,668
Mutual Funds	3,418,681	-	-	3,418,681
Corporate Bonds	504,754	267,111	-	771,865
Municipal Bonds	70,464	487,519	-	557,983
Government Agencies	181,710	80,822	-	262,532
Government Bonds	1,496,437	22,494	-	1,518,931
	<u>\$ 6,356,251</u>	<u>\$ 918,884</u>	<u>\$ -</u>	<u>7,275,135</u>
<b>Investments Measured at NAV*</b>				<u>223,711</u>
<b>Investments, at Fair Value</b>				<u>\$ 7,498,846</u>

\* In accordance with Subtopic 820-10, certain investments that were measured at net asset value (NAV) per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Notes to Consolidated Financial Statements**

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**Note 19. Fair Value Measurements (Continued)**

The following tables summarize the investments measured at fair value based on NAV per share as of June 30, 2025 and 2024. The fund descriptions are indicative of their investment strategies.

<b>June 30, 2025</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (if Currently Eligible)</b>	<b>Redemption Notice Period</b>
Common Stock	\$ 179,743	N/A	Daily	60 days
Corporate Bonds	117,774	N/A	Daily	60 days
Real Estate	8,418	N/A	Daily	60 days
	<u>\$ 305,935</u>			

  

<b>June 30, 2024</b>	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (if Currently Eligible)</b>	<b>Redemption Notice Period</b>
Common Stock	\$ 137,561	N/A	Daily	60 days
Corporate Bonds	71,775	N/A	Daily	60 days
Government Agencies	14,375	N/A	Daily	60 days
	<u>\$ 223,711</u>			

**Transfers between Levels**

For the years ended June 30, 2025 and 2024, there were no significant transfers between Levels 1 and 2 and no transfers in or out of Level 3.

**Note 20. Revenue Concentration**

During the year ended June 30, 2025, 37% of the Organization's total revenue, support, and gains were derived from two entities. During the year ended June 30, 2024, 33% of the Organization's total revenue, support, and gains were derived from two entities.

**Note 21. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 26, 2025, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

## **SUPPLEMENTARY INFORMATION**

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Schedule of Compensation, Benefits, and Other Payments  
to Agency Head  
For the Year Ended June 30, 2025**

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Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees, be reported as a supplemental report within the financial statements of local governmental and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that non-governmental entities or not-for-profit entities that receive public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

**Agency Head**

David Kneipp, President and CEO

<b>Purpose</b>	<b>Compensation and Benefits Funded by Use of Public Funds</b>
Salary	\$206,244
Bonus	\$0
Benefits - Insurance	\$23,806
Benefits - SECA	\$13,235
Benefits - Other	\$458
Car Allowance (Lease, Insurance, Gasoline)	\$0
Per Diem	\$0
Reimbursements	\$1,051
Local Entertainment/Sales	\$0
Registration Fees	\$0
Conference/Sales Mission Travel	\$4,082
Local Transportation/Parking	\$0
Continuing Professional Education Fees	\$0
Housing	\$0
Unvouchered Expenses	\$0
Dues and Subscriptions	\$2,100

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidating Statement of Financial Position  
June 30, 2025  
With Summarized Comparative Information at June 30, 2024**

**Schedule I**

	Volunteers of America South Central Louisiana, Inc.	Human Services of Greater Baton Rouge, Inc.	Subtotal	Eliminations	2025 Consolidated	2024 Consolidated
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	\$ 2,567,617	\$ 56,024	\$ 2,623,641	\$ -	\$ 2,623,641	\$ 326,615
Accounts Receivable, Net of Allowance for Credit Losses of \$88,917 at 2025 and \$143,668 at 2024	3,265,010	-	3,265,010	(137,168)	3,127,842	4,235,018
Pledges Receivable Current, Net	58,055	-	58,055	-	58,055	56,870
Prepaid Expenses	1,034,669	-	1,034,669	-	1,034,669	930,800
<b>Total Current Assets</b>	<b>6,925,351</b>	<b>56,024</b>	<b>6,981,375</b>	<b>(137,168)</b>	<b>6,844,207</b>	<b>5,549,303</b>
<b>Fixed Assets, Net</b>	<b>1,559,272</b>	<b>252,317</b>	<b>1,811,589</b>	<b>-</b>	<b>1,811,589</b>	<b>2,028,570</b>
<b>Other Assets</b>						
Investments	9,304,482	-	9,304,482	-	9,304,482	7,498,846
Pledges Receivable - Long-Term, Net	79,953	-	79,953	-	79,953	77,682
Intangible Assets	150,000	-	150,000	-	150,000	150,000
Right-of-Use Assets - Operating Leases	3,288,141	-	3,288,141	-	3,288,141	3,772,785
Right-of-Use Assets - Finance Leases, Net	99,409	-	99,409	-	99,409	104,006
Other Assets	51,264	-	51,264	-	51,264	45,764
<b>Total Other Assets</b>	<b>12,973,249</b>	<b>-</b>	<b>12,973,249</b>	<b>-</b>	<b>12,973,249</b>	<b>11,649,083</b>
<b>Total Assets</b>	<b>\$ 21,457,872</b>	<b>\$ 308,341</b>	<b>\$ 21,766,213</b>	<b>\$ (137,168)</b>	<b>\$ 21,629,045</b>	<b>\$ 19,226,956</b>

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidating Statement of Financial Position (Continued)  
June 30, 2025  
With Summarized Comparative Information at June 30, 2024**

**Schedule I**

	Volunteers of America South Central Louisiana, Inc.	Human Services of Greater Baton Rouge, Inc.	Subtotal	Eliminations	2025 Consolidated	2024 Consolidated
<b>Liabilities and Net Assets</b>						
<b>Current Liabilities</b>						
Line of Credit	\$ 589,208	\$ -	\$ 589,208	\$ -	\$ 589,208	\$ 792,853
Accounts Payable	589,256	139,271	728,527	(137,168)	591,359	836,938
Accrued Expenses	1,527,018	2,570	1,529,588	-	1,529,588	1,166,091
Operating Lease Liabilities, Current Portion	373,442	-	373,442	-	373,442	465,008
Finance Lease Liabilities, Current Portion	38,176	-	38,176	-	38,176	33,276
Note Payable	656,384	-	656,384	-	656,384	601,590
<b>Total Current Liabilities</b>	<b>3,773,484</b>	<b>141,841</b>	<b>3,915,325</b>	<b>(137,168)</b>	<b>3,778,157</b>	<b>3,895,756</b>
<b>Other Liabilities</b>						
Operating Lease Liabilities, Less Current Portion	3,027,060	-	3,027,060	-	3,027,060	3,400,502
Finance Lease Liabilities, Less Current Portion	62,133	-	62,133	-	62,133	69,361
<b>Total Other Liabilities</b>	<b>3,089,193</b>	<b>-</b>	<b>3,089,193</b>	<b>-</b>	<b>3,089,193</b>	<b>3,469,863</b>
<b>Total Liabilities</b>	<b>6,862,677</b>	<b>141,841</b>	<b>7,004,518</b>	<b>(137,168)</b>	<b>6,867,350</b>	<b>7,365,619</b>
<b>Net Assets</b>						
Net Assets Without Donor Restrictions	1,835,616	136,500	1,972,116	-	1,972,116	3,122,698
Net Assets With Donor Restrictions	12,759,579	30,000	12,789,579	-	12,789,579	8,738,639
<b>Total Net Assets</b>	<b>14,595,195</b>	<b>166,500</b>	<b>14,761,695</b>	<b>-</b>	<b>14,761,695</b>	<b>11,861,337</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 21,457,872</b>	<b>\$ 308,341</b>	<b>\$ 21,766,213</b>	<b>\$ (137,168)</b>	<b>\$ 21,629,045</b>	<b>\$ 19,226,956</b>

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTH CENTAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Schedule II**

**Consolidating Statement of Activities**

**For the Year Ended June 30, 2025**

**With Summarized Comparative Information for the Year Ended June 30, 2024**

	Volunteers of America South Central Louisiana, Inc.	Human Services of Greater Baton Rouge, Inc.	Subtotal	Eliminations	2025 Consolidated	2024 Consolidated
<b>Revenue, Support, and Gains</b>						
Public Support Received Directly						
Contributions	\$ 4,800,432	\$ -	\$ 4,800,432	\$ -	\$ 4,800,432	\$ 2,903,868
Contributions, In-Kind	341,708	-	341,708	-	341,708	298,050
Public Support Received Indirectly						
United Way Allocations	106,250	-	106,250	-	106,250	181,161
<b>Total Public Support</b>	<b>5,248,390</b>	<b>-</b>	<b>5,248,390</b>	<b>-</b>	<b>5,248,390</b>	<b>3,383,079</b>
<b>Revenues and Grants from Governmental Agencies</b>	<b>18,631,718</b>	<b>-</b>	<b>18,631,718</b>	<b>-</b>	<b>18,631,718</b>	<b>19,256,697</b>
<b>Other Revenue</b>						
Program Service Fees	385,316	-	385,316	-	385,316	411,004
Rental Income	50,062	200,878	250,940	-	250,940	216,438
Miscellaneous	21,850	-	21,850	-	21,850	44,459
<b>Total Other Revenue</b>	<b>457,228</b>	<b>200,878</b>	<b>658,106</b>	<b>-</b>	<b>658,106</b>	<b>671,901</b>
<b>Total Revenue, Support, and Gains</b>	<b>24,337,336</b>	<b>200,878</b>	<b>24,538,214</b>	<b>-</b>	<b>24,538,214</b>	<b>23,311,677</b>

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.**

**Schedule II**

**Consolidating Statement of Activities (Continued)**

**For the Year Ended June 30, 2025**

**With Summarized Comparative Information for the Year Ended June 30, 2024**

	Volunteers of America South Central Louisiana, Inc.	Human Services of Greater Baton Rouge, Inc.	Subtotal	Eliminations	2025 Consolidated	2024 Consolidated
<b>Operating Expenses</b>						
<b>Program Services</b>						
Encouraging Positive Development	5,749,882	-	5,749,882	-	5,749,882	5,879,848
Fostering Independence	8,274,564	-	8,274,564	-	8,274,564	8,771,904
Promoting Self-Sufficiency	4,110,355	220,243	4,330,598	-	4,330,598	4,153,571
<b>Total Program Services</b>	<b>18,134,801</b>	<b>220,243</b>	<b>18,355,044</b>	<b>-</b>	<b>18,355,044</b>	<b>18,805,323</b>
<b>Supporting Services</b>						
Management and General	3,769,392	-	3,769,392	-	3,769,392	3,501,476
Fundraising	283,622	-	283,622	-	283,622	237,359
<b>Total Supporting Services</b>	<b>4,053,014</b>	<b>-</b>	<b>4,053,014</b>	<b>-</b>	<b>4,053,014</b>	<b>3,738,835</b>
<b>Total Operating Expenses</b>	<b>22,187,815</b>	<b>220,243</b>	<b>22,408,058</b>	<b>-</b>	<b>22,408,058</b>	<b>22,544,158</b>
<b>Surplus (Deficit) from Operations</b>	<b>2,149,521</b>	<b>(19,365)</b>	<b>2,130,156</b>	<b>-</b>	<b>2,130,156</b>	<b>767,519</b>
<b>Other Activities</b>						
Net Investment Return	770,202	-	770,202	-	770,202	595,729
<b>Surplus from Other Activities</b>	<b>770,202</b>	<b>-</b>	<b>770,202</b>	<b>-</b>	<b>770,202</b>	<b>595,729</b>
<b>Change in Net Assets</b>	<b>2,919,723</b>	<b>(19,365)</b>	<b>2,900,358</b>	<b>-</b>	<b>2,900,358</b>	<b>1,363,248</b>
<b>Net Assets, Beginning of Year</b>	<b>11,675,472</b>	<b>185,865</b>	<b>11,861,337</b>	<b>-</b>	<b>11,861,337</b>	<b>10,498,089</b>
<b>Net Assets, End of Year</b>	<b>\$ 14,595,195</b>	<b>\$ 166,500</b>	<b>\$ 14,761,695</b>	<b>\$ -</b>	<b>\$ 14,761,695</b>	<b>\$ 11,861,337</b>

See independent auditor's report.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC. AND  
HUMAN SERVICES OF GREATER BATON ROUGE, INC.  
Consolidating Statement of Functional Expenses  
For the Year Ended June 30, 2025  
With Summarized Comparative Information for the Year Ended June 30, 2024**

**Schedule III**

	Volunteers of America South Central Louisiana, Inc.						Human Services of Greater Baton Rouge, Inc.			2025 Total	2024 Total
	Program Services			Supporting Services			Program Services	Supporting Services			
	Encouraging Positive Development	Fostering Independence	Promoting Self-Sufficiency	Management and General	Fundraising	Subtotal	Promoting Self-Sufficiency	Management and General	Subtotal		
Salaries and Wages	\$ 2,519,280	\$ 5,139,195	\$ 1,280,475	\$ 1,903,644	\$ 141,411	\$ 10,984,005	\$ -	\$ -	\$ -	\$ 10,984,005	\$ 10,998,275
Employee Benefits	332,018	696,910	176,465	171,071	14,464	1,390,928	-	-	-	1,390,928	1,416,763
Professional Services	735,970	547,808	158,097	1,043,759	51,130	2,536,764	-	-	-	2,536,764	2,447,288
Occupancy Expenses	141,655	148,901	210,125	100,182	19,334	620,197	164,362	-	164,362	784,559	580,061
Specific Assistance to Individuals	1,327,650	843,086	1,961,744	3,173	10,022	4,145,675	-	-	-	4,145,675	4,214,154
Program Supplies and Equipment	206,711	163,583	30,209	30,053	6,919	437,475	17,293	-	17,293	454,768	876,714
Office Supplies and Expenses	244,848	467,596	174,406	205,659	1,415	1,093,924	600	-	600	1,094,524	1,058,165
Travel, Conferences, and Meetings	183,611	179,241	61,993	104,435	310	529,590	-	-	-	529,590	510,978
Depreciation and Amortization	36,530	75,375	56,542	47,161	-	215,608	37,822	-	37,822	253,430	319,445
Interest	-	-	-	66,593	-	66,593	-	-	-	66,593	58,308
Other	21,609	12,869	299	93,662	38,617	167,056	166	-	166	167,222	64,007
<b>Total</b>	<b>\$ 5,749,882</b>	<b>\$ 8,274,564</b>	<b>\$ 4,110,355</b>	<b>\$ 3,769,392</b>	<b>\$ 283,622</b>	<b>\$ 22,187,815</b>	<b>\$ 220,243</b>	<b>\$ -</b>	<b>\$ 220,243</b>	<b>\$ 22,408,058</b>	<b>\$ 22,544,158</b>

See independent auditor's report.

**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**

**Independent Auditor's Report**

To the Board of Directors  
Volunteers of America South Central Louisiana, Inc.  
Baton Rouge, Louisiana

We have audited, 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 (*Government Auditing Standards*), the consolidated financial statements of Volunteers of America South Central Louisiana, Inc. (the Organization), which comprise the consolidated statement of financial position as of June 30, 2025, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements), and have issued our report thereon dated November 26, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink that reads "LaForte". The signature is written in a cursive, flowing style.

A Professional Accounting Corporation

Covington, LA  
November 26, 2025

## **UNIFORM GUIDANCE SECTION**

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

**Independent Auditor's Report**

To the Board of Directors  
Volunteers of America South Central Louisiana, Inc.  
Baton Rouge, Louisiana

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

**Opinion on Each Major Federal Program**

We have audited Volunteers of America South Central Louisiana, Inc.'s (the Organization) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2025. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a combination of deficiencies, in internal control over compliance, such that there is 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Organization as of and for the year ended June 30, 2025, and have issued our report thereon dated November 26, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "LaForte". The signature is written in a cursive, flowing style with a large initial "L".

A Professional Accounting Corporation

Covington, LA  
November 26, 2025

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC.**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2025**

Federal Grantor/ Pass-Through Agency/ Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Housing and Urban Development</b>			
Direct Program			
Continuum of Care Program	14.267		\$ 500,709
Continuum of Care Program	14.267		124,636
Continuum of Care Program	14.267		93,014
Passed Through City Parish			
Continuum of Care Program	14.267	LA0107L6H092215	46,366
Passed Through Office of Community Planning and Development			
Housing Opportunities for Persons with AIDS	14.241	LAH23F002	<u>251,324</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>1,016,049</u>
<b>U.S. Department of Veterans Affairs</b>			
Passed Through Volunteers of America, Southeast Louisiana, Inc.			
VA Supportive Services for Veteran Families Program	64.033	2012-LA-038-23	1,344,484
VA Supportive Services for Veteran Families Program	64.033	2012-LA-038-LT	55,562
VA Supportive Services for Veteran Families Program	64.033	2012-LA-038SS	<u>379,400</u>
<b>Total U.S. Department of Veterans Affairs</b>			<u>1,779,446</u>
<b>U.S. Department of Justice</b>			
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice			
Crime Victim Assistance	16.575	Project 7576 / Project 6853	<u>82,427</u>
<b>Total U.S. Department of Justice</b>			<u>82,427</u>

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC.**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**For the Year Ended June 30, 2025**

Federal Grantor/ Pass-Through Agency/ Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Health and Human Services</b>			
Passed Through Louisiana Department of Education			
CCDF Cluster			
Child Care and Development Block Grant	93.575	PO 200770637	907,101
Child Care and Development Block Grant	93.575	PO 200779344	1,315,917
Child Care and Development Block Grant	93.575	EVKY002	74,635
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EVKY002	58,171
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EVKY002	114,078
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	EVKY002	99,460
			<u>2,569,362</u>
<b>Total CCDF Cluster</b>			<b>2,569,362</b>
Child and Adult Care Food Program	10.558	2024-UARXFM27P4C6	103,468
Every Student Succeeds Act/Preschool Development Grants	93.434	EVKY002	612,354
Direct Programs			
Block Grants for Community Mental Health Services	93.958		5,691
Injury Prevention and Control Research and State and Community Based Programs	93.136		25,585
Passed through Louisiana Department of Children and Family Services			
Temporary Assistance for Needy Families	93.558	PO#2000708230	297,047
Temporary Assistance for Needy Families	93.558	PO#2000826869	273,329
MaryLee Allen Promoting Safe and Stable Families Program	93.556	PO#2000708230	584,937
MaryLee Allen Promoting Safe and Stable Families Program	93.556	PO#2000708230	769,077
Passed Through City Parish - Division of Human Development and Services			
HIV Emergency Relief Project Grants	93.914	800005191	198,536
Ending the HIV Epidemic: A Plan for America Ryan White HIV / AIDS Program Parts A and B	93.686	800005199	374,138
Passed Through Louisiana Department of Health & Hospitals, Office of Behavioral Health			
Projects for Assistance in Transition from Homelessness (PATH)	93.150	PO 2000764433	86,707
Projects for Assistance in Transition from Homelessness (PATH)	93.150	PO 2000687269	49,673
Block Grants for Community Mental Health Services	93.958	PO 2000686079	35,112
Block Grants for Prevention and Treatment of Substance Abuse	93.959	PO 2000687269	29,515
Block Grants for Community Mental Health Services	93.958	PO 2000687269	6,000
			<u>6,020,531</u>
<b>Total U.S. Department of Health and Human Services</b>			<b>6,020,531</b>
<b>Total Expenditures of Federal Awards</b>			<b><u>\$ 8,898,453</u></b>

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC.**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2025**

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**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Volunteers of America South Central Louisiana, Inc. AND Human Services of Greater Baton Rouge, Inc. under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3. De Minimis Cost Rate**

The Organization uses indirect cost rates negotiated and approved by the grant awarding agencies and has elected not to use the 10% de minimis indirect cost rate as provided for in Section 200.414 of the Uniform Guidance.

**Note 4. Subrecipients**

The Organization did not have any subrecipients of federal grant funding.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC.**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2025**

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**Section I. Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None Reported

Non-compliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:

- Material weaknesses identified? No
- Significant deficiencies identified? None Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major programs:

<u>AL Numbers</u>	<u>Name of Federal Program</u>
93.575	Child Care and Development Block Grant
14.267	Continuum of Care Program

Dollar threshold used to determine Type A Programs: \$750,000

Auditee qualified as low-risk auditee? Yes

**Section II. Findings - Financial Statement Audit**

None.

**Section III. Findings and Questioned Costs - Major Federal Award Programs Audit**

None.

**VOLUNTEERS OF AMERICA SOUTH CENTRAL LOUISIANA, INC.**  
**Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 2025**

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**Financial Statement Findings**

None.

**Federal Award Findings and Questioned Costs**

None.

## AGREED-UPON PROCEDURES REPORT

Volunteers of America South Central Louisiana, Inc.

Independent Accountant's Report  
On Applying Agreed-Upon Procedures

**For the Period July 1, 2024 - June 30, 2025**

To the Board of Directors  
Volunteers of America South Central Louisiana, Inc. and  
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. Volunteers of America South Central Louisiana, Inc.'s (the Organization) management is responsible for those C/C areas identified in the SAUPs.

The Organization has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, the LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### **1) Collections (excluding electronic funds transfers)**

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - i. Employees responsible for cash collections do not share cash drawers/registers;

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
  - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #1A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits, and:
- i. Observe that receipts are sequentially pre-numbered.
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.
  - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - v. Trace the actual deposit per the bank statement to the general ledger.

**Results:** No exceptions were noted as a result of performing procedures A, B, C, D.ii., D.iii., and D.v. The Organization does not keep a collections log for incoming cash receipts. As such, procedure D.i. and D.iv. could not be performed.

## **2) Contracts**

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- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

**Results:** No exceptions were noted as a result of performing procedures A.ii and A.iv. Procedures A.i. and A.iii. are not applicable to the Organization.

We were engaged by the Organization to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



A Professional Accounting Corporation

Covington, LA  
September 25, 2025

To the Board of Directors  
Volunteers of America South Central Louisiana, Inc.  
and the Louisiana Legislative Auditor:

October 24, 2025

**RE: Management Response to the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) Exceptions**

**Introduction:** We appreciate the auditors' efforts in completing the agreed-upon procedures. We acknowledge the findings and are committed to addressing these concerns promptly.

**Summary of Findings:** The SAUP report highlighted one key area for improvement, including section: 4) Collections (excluding electronic funds transfers).

**Management Response:**

1. **Exception 1:** 4) Collections (excluding electronic funds transfers) – The organization does not keep a collections log for incoming cash receipts. As such, procedure D.i. and D.iv. could not be performed.
  - Acknowledgment: We recognize this issue.
  - Corrective Actions: We are implementing an electronic log for all daily manual deposits taken to the bank.
  - Timeline: These actions will be completed for FY2026.

**Actions Taken/Planned:** We will begin implementing changes for the daily collection logs.

**Monitoring and Follow-Up:** We will establish a monitoring system to oversee the implementation of corrective actions, with regular updates to be provided to senior management.

**Conclusion:** We are committed to enhancing our operations and appreciate the auditors' insights. We look forward to improving our processes based on their recommendations.

**Contact Information:** For any further inquiries, please contact Terry Anderson at [terry.anderson@voascla.org](mailto:terry.anderson@voascla.org) or (985) 773-8238.

*Terry M Anderson*

Terry M. Anderson, CFO