



LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2020



LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, Louisiana

We have reviewed the accompanying financial statements of the Louisiana Rural Ambulance Alliance (a non-profit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards* issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

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



Other Matters

Report on Supplementary Information

The accompanying schedule of compensation, benefits and other payments to chief executive officer on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information, and, accordingly, do not express an opinion on such information.

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 28, 2021

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 912,146	\$ 347,838
Contract asset	14,849,288	904,447
Accounts receivable	15,664	-
Due from government agencies	113,447	18,410
Prepaid expenses	29,421	40,953
Investments	718,977	617,335
Buildings and equipment, net	877,046	825,003
Construction in progress	<u>125,846</u>	<u>88,010</u>
 TOTAL ASSETS	 <u><u>\$ 17,641,835</u></u>	 <u><u>\$ 2,841,996</u></u>
<u>LIABILITIES</u>		
Accounts payable	\$ 13,002,809	\$ 702,978
 <u>NET ASSETS</u>		
Without donor restrictions	<u>4,639,026</u>	<u>2,139,018</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 17,641,835</u></u>	 <u><u>\$ 2,841,996</u></u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	Without Donor Restrictions	
	2020	2019
<u>REVENUES AND OTHER SUPPORT</u>		
Public support:		
Grants with government agencies	\$ 226,669	\$ 202,933
Other revenue:		
Service fee - Surge contract	21,822,578	872,752
Service fee - HHS asset maintenance contract	201,750	191,855
Educational events and training	24,256	21,761
Investment earnings, net	63,293	73,243
Miscellaneous	18,846	5,663
Total revenues and other support	<u>22,357,392</u>	<u>1,368,207</u>
<u>EXPENSES</u>		
Program services:		
Emergency response	19,283,021	729,412
Member services	460,954	519,164
Total program services	<u>19,743,975</u>	<u>1,248,576</u>
Support services	<u>113,409</u>	<u>71,798</u>
Total expenses	<u>19,857,384</u>	<u>1,320,374</u>
Change in net assets	2,500,008	47,833
Net assets at beginning of year	<u>2,139,018</u>	<u>2,091,185</u>
Net assets at end of year	<u><u>\$ 4,639,026</u></u>	<u><u>\$ 2,139,018</u></u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE**(A NOT FOR PROFIT ORGANIZATION)****STATEMENTS OF FUNCTIONAL EXPENSES****YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020				
	Program Services			Support Services	
	Emergency Response	Member Services	Total	General and Administrative	Total Expenses
Committees and memberships	\$ -	\$ 3,666	\$ 3,666	\$ 110	\$ 3,776
Contract services	19,255,003	188,254	19,443,257	-	19,443,257
Depreciation of buildings and equipment	-	31,126	31,126	24,021	55,147
Insurance	-	-	-	71,271	71,271
Loss on disposal of asset	-	-	-	4,500	4,500
Meals and entertainment	-	835	835	-	835
Miscellaneous	-	20,376	20,376	804	21,180
Professional services	5,287	88,783	94,070	1,570	95,640
Repairs and maintenance	-	9,013	9,013	1,272	10,285
Service charges	-	-	-	375	375
Supplies	19,478	113,208	132,686	2,903	135,589
Travel and lodging	3,253	5,693	8,946	-	8,946
Utilities	-	-	-	6,583	6,583
Total Expenses	<u>\$ 19,283,021</u>	<u>\$ 460,954</u>	<u>\$ 19,743,975</u>	<u>\$ 113,409</u>	<u>\$ 19,857,384</u>

	2019				
	Program Services			Support Services	
	Emergency Response	Member Services	Total	General and Administrative	Total Expenses
Committees and memberships	\$ -	\$ 250	\$ 250	\$ -	\$ 250
Contract services	712,784	366,244	1,079,028	495	1,079,523
Depreciation of buildings and equipment	-	25,629	25,629	24,671	50,300
Insurance	-	-	-	32,937	32,937
Miscellaneous	-	7,956	7,956	-	7,956
Professional services	8,775	29,616	38,391	4,125	42,516
Repairs and maintenance	-	19,224	19,224	1,301	20,525
Service charges	-	-	-	340	340
Supplies	7,853	53,434	61,287	-	61,287
Travel and lodging	-	16,811	16,811	-	16,811
Utilities	-	-	-	7,929	7,929
Total Expenses	<u>\$ 729,412</u>	<u>\$ 519,164</u>	<u>\$ 1,248,576</u>	<u>\$ 71,798</u>	<u>\$ 1,320,374</u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 2,500,008	\$ 47,833
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	55,147	50,300
Loss on disposal of assets	4,500	-
Net investment gains	(537)	(45,345)
Unrealized gain on investments	(56,801)	(15,152)
(Increase) decrease in accounts receivable and due from governmental agencies	(14,055,542)	1,249,553
(Increase) decrease in prepaids	11,532	(21,509)
Increase (decrease) in accounts payable	12,299,831	(989,282)
Net cash provided by operating activities	<u>758,138</u>	<u>276,398</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of buildings and equipment	(154,526)	(117,270)
Proceeds from sale of equipment	5,000	-
Purchases of investments	(267,582)	(12,746)
Proceeds from sales of investments	223,278	45,709
Net cash used in investing activities	<u>(193,830)</u>	<u>(84,307)</u>
Net increase in cash and cash equivalents	564,308	192,091
Cash and cash equivalents at beginning of year	<u>347,838</u>	<u>155,747</u>
Cash and cash equivalents at end of year	<u>\$ 912,146</u>	<u>\$ 347,838</u>

See accompanying notes and independent accountants' review report.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. **Summary of Significant Accounting Policies**

Nature of Activities

The Louisiana Rural Ambulance Alliance (the Alliance) is a non-profit organization that was formed on September 8, 1995, to promote the ambulance industry in the State of Louisiana. To accomplish this purpose, the Alliance engages in educational and legislative activities on behalf of its members. In addition to the promotion of the ambulance industry, the Alliance also assists the Bureau of Emergency Medical Services of the State of Louisiana in emergency response for declared emergencies.

Program Services

Emergency Response

The Alliance provides ambulatory services in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services.

Member Services

The Alliance provides education, training, and legislative services to the members of the Louisiana Ambulance Association.

Support Services

General and Administrative

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

Basis of Accounting

The Alliance prepares its financial statements on the accrual basis of accounting. Accordingly, revenues from grants and contributions from government agencies, service fees, training, investments, and other sources are recognized when earned and expenses are recognized when incurred.

To ensure proper usage of restricted and unrestricted assets, the Alliance maintains its accounts according to accounting principles generally accepted in the United States of America, whereby funds are classified in accordance with specified restrictions or objectives.

Cash and Cash Equivalents

The Alliance considers all cash accounts and money markets funds with a maturity of three months or less when purchased to be cash and cash equivalents.

Accounts Receivable

Management considers accounts receivable that are more than 180 days old to be uncollectible. No reserve for uncollectible accounts has been established. Management has determined that all receivables as of each year-end are collectible.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

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

Due from Government Agencies

Due from government agencies consists of unremitted reimbursements of expenses from government agencies that are based upon individual grant requirements. Management has determined that all amounts due from government agencies as of each year-end are collectible.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Investment expenses, such as investment advisory fees, are netted against investment income (loss) in the statements of activities and changes in net assets.

Buildings and Equipment

The Alliance capitalizes buildings and equipment over \$1,500. Lesser amounts are expensed. Buildings and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:

Buildings	30 - 40 years
Other equipment	5 - 10 years

Net Assets

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

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

The Alliance reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities and changes in net assets as net assets released from restrictions.

The Alliance did not receive or have any net assets with donor restrictions during each of the years ended December 31, 2020 or 2019.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

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

Revenue Recognition

The Alliance adopted during the year ended December 31, 2019, Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Alliance's financial reporting.

During the year ended December 31, 2019, the Alliance has also adopted ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*, as management believes the standard improves the usefulness and understandability of the Alliance's financial reporting.

Analysis of the provisions of these standards resulted in no significant changes in the way the Alliance recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with this standard.

The majority of the Alliance's revenue is derived from grants with government agencies and service fees. The grants and contracts are non-exchange transactions that benefit the general public.

The service fee revenue under the Surge contract is earned over time based upon contractually determined hourly rates associated with emergency transportation management services and supply of ambulances including ALS, BLS, and fixed wing air. The contract for these services is initiated upon the written notification of a declaration of a state of emergency by the State Health Officer or his designee of the State of Louisiana. On a contingency basis, the Alliance provides support to the Emergency Medical Services – Tactical Operations Center. These services are billed on a monthly basis after the services are provided.

The service fee revenue under the HHS asset maintenance contract is earned over time as the asset management services are provided. These services are billed quarterly after the services are provided.

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Alliance did not recognize any contributed services during the years ended December 31, 2020 and 2019, respectively.

Expenses

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

Expenses are charged directly to programs in categories based on specific identification. Indirect expenses, if any, are allocated based on amounts approved by the respective contracts.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

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

Expenses (continued)

Functional Allocation of Expenses

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

Concentrations of Credit Risk

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

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

The Alliance is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Alliance has not recorded a provision for income taxes in the accompanying financial statements.

Management has evaluated the Alliance's tax positions and concluded that the Alliance has taken no uncertain tax positions that require adjustment to or disclosure in the financial statements to comply with the provisions of the accounting guidance for income taxes.

Current Accounting Standard Scheduled to be Implemented

In February 2016, the FASB issued ASU 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the statement of financial position as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2021. The Alliance is currently assessing the impact of this pronouncement on its financial statements.

2. **Cash and Cash Equivalents**

At December 31, 2020 and 2019 the carrying amounts of the Alliance's deposits were \$912,146 and \$347,838, respectively. These deposits are at cost, which approximates market.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

3. **Buildings and Equipment**

Buildings and equipment at December 31, 2020 and 2019 consist of the following:

	2020	2019
Building	\$ 724,224	\$ 724,224
Furniture and equipment	1,206,294	1,101,604
	1,930,518	1,825,828
Less: Accumulated depreciation	(1,053,472)	(1,000,825)
Buildings and equipment, net	<u>\$ 877,046</u>	<u>\$ 825,003</u>

Depreciation expense was \$55,147 and \$50,300 for the years ended December 31, 2020 and 2019, respectively.

4. **Grants with Government Agencies**

Grants and contracts with government agencies for the years ended December 31, 2020 and 2019 consist of the following:

	2020	2019
Department of Health and Hospitals – DPS - TRCC	\$ 112,637	\$ 18,410
Department of Health and Hospitals – Opioid Response	114,032	184,523
Total	<u>\$ 226,669</u>	<u>\$ 202,933</u>

5. **Service Fees**

The Alliance has a contract with the State of Louisiana to provide ambulance services as needed in the event of declared emergencies. Included in the ambulance services are staffing and operational support to the Bureau of Emergency Medical Services. The Alliance requests reimbursement from the State of Louisiana at the contracted hourly rate for the respective ambulance services. These reimbursements have been reported in the statements of activities and changes in net assets as service fees. The number of hours billed each year can vary greatly depending upon the severity of the declared emergency.

The Alliance has a contract with the Louisiana Hospital Association Research and Education Foundation to provide oversight of Hospital Preparedness Program funded assets, maintain and monitor equipment, and educate EMS providers as to the assets available and request process to obtain those assets. The Alliance requests reimbursement from the State of Louisiana quarterly for the respective services. These reimbursements have been reported in the statements of activities and changes in net assets as service fees.

The amounts due to the Alliance under these contracts are included in the statement of net position as contract asset and are as follows:

	2020	2019
Service fee – Surge contract	\$ 14,807,844	\$ 872,752
Service fee – HHS asset maintenance contract	41,444	31,695
Total	<u>\$ 14,849,288</u>	<u>\$ 904,447</u>

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

6. Due from Government Agencies

The following represents the Alliance's due from government agencies at December 31, 2020 and 2019:

	2020	2019
Department of Health and Hospitals – DPS - TRCC	\$ 113,447	\$ 18,410
Total	<u>\$ 113,447</u>	<u>\$ 18,410</u>

7. Investments and Fair Value of Financial Instruments

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

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

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

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

7. **Investments and Fair Value of Financial Instruments** (continued)

- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

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

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

Equity and Fixed Income Securities Funds

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

(continued)

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

7. **Investments and Fair Values of Financial Instruments** (continued)

The following table presents for each fair value hierarchy level, the Alliance's financial assets that are measured at fair value on a recurring basis:

	December 31, 2020	December 31, 2019
	<u>Level 1</u>	<u>Level 1</u>
Equity Securities:		
Technology	\$ 59,692	\$ 27,178
Healthcare	43,906	20,605
Basic Materials	4,957	-
Communications	33,505	12,244
Consumer	55,976	27,729
Industrial	40,348	14,029
Infrastructure	14,288	20,291
Energy	6,737	7,927
Mid Cap	31,733	29,459
Large Cap	29,950	13,207
Small Blend	8,446	13,019
Foreign Large Growth	28,271	41,787
Real Estate	19,403	42,496
Financial Services	27,693	19,567
Utilities	10,659	5,548
Other	13,017	8,244
Fixed Income Securities:		
Intermediate Core Bond Fund	290,396	282,861
US Fund World Bond Funds	-	31,144
	<u>\$ 718,977</u>	<u>\$ 617,335</u>

8. **Availability and Liquidity Management**

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

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

8. Availability and Liquidity Management (continued)

The following table reflects the Alliance's financial assets as of December 31, 2020, and 2019, reduced by amounts that are not available to meet general expenses within one year of the statement of financial position date because of contractual restrictions. Amounts not available include certain investments with redemption limitations. There were no net assets with donor restrictions at December 31, 2020, and 2019.

	2020	2019
Cash and cash equivalents	\$ 912,146	\$ 347,838
Accounts receivable	14,849,288	904,447
Other receivables	15,664	-
Due from government agencies	113,447	18,410
Investments	718,977	617,335
	<u>16,609,522</u>	<u>1,888,030</u>
Less: current payables	(13,002,809)	(702,978)
Financial assets available to meet cash needs for general expenses within one year	<u>\$ 3,606,713</u>	<u>\$ 1,185,052</u>

9. Related Party Transactions

The Alliance has contracted with In the Know Publications, LLC to provide comprehensive association management services to the Alliance. In the Know Publications, LLC is owned by the Chief Executive Officer of the Alliance.

Payments were made to In the Know Publications, LLC for contract services and reimbursements of business expenses during the years ended December 31, 2020 and 2019. For the years ended December 31, 2020 and 2019, payments to In the Know Publications, LLC amounted to \$232,268 and \$235,673, respectively.

The Alliance had outstanding balances to the In the Know Publications, LLC at December 31, 2020 and 2019 of \$0 and \$4,263, respectively which are included in accounts payable in the statements of financial position.

10. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 28, 2021. The Alliance was approved for a USDA Distance Learning and Telemedicine Grant in the amount of \$997,627, with a 15% match requirement, subsequent to year end. No other subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2020

Chief Executive Officer: Donna Newchurch Landry

Purpose

Amounts paid directly to the CEO

Salary	\$	-
Benefits		-
Contract Services		-
Travel		-
Reimbursements		3,587
	\$	<u>3,587</u>

Amounts paid to In the Know Publications, LLC, wholly owned by the CEO

Salary	\$	-
Benefits		-
Contract Services		228,444
Travel		3,490
Reimbursements		334
	\$	<u>232,268</u>

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Louisiana Rural Ambulance Alliance (a not for profit organization) and the Louisiana Legislative Auditor, on the Alliance's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2020, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Alliance is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

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

The Alliance provided us with the following list of expenditures made for federal grant awards received that were passed through the state during the fiscal year ended December 31, 2020:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Rural Communities Opioid Response	9/30/2018 – 9/29/2019	93.912	\$ 114,032
EMS Data Implementation Project	10/1/2019 – 9/30/2021	20.616	113,447
Total Expenditures			\$ 227,479

The Alliance represented that they received no direct state or local government grant awards during the fiscal year ended December 31, 2020.

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

We selected disbursements from each grant administered during the fiscal year, according to the procedure above.

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

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

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.
The Alliance only has one fund. All of the disbursements were coded to the correct general ledger account.

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

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

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

Activities allowed or unallowed

Each of the selected disbursements were compared to the grant agreement and compliance supplement, if applicable, noting program compliance related to activities allowed or unallowed.

Eligibility

Each of the selected disbursements were compared to the grant agreement and compliance supplement, if applicable, noting program compliance related to eligibility.

Reporting

Each of the selected disbursements were compared to the grant agreement and compliance supplement, if applicable, noting program compliance related to reporting.

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

The Alliance represented that there were no close-out report required during the fiscal year ended December 31, 2020.

Open Meetings

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

The Alliance is only required to post a notice of each meeting and the accompanying agenda on the door of the Alliance's office building. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion other than an unmarked copy of the notices and agenda.

Budget

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

The Alliance must submit an annual budget to each of the grantors in order to receive the grant funds. An annual budget was submitted for each grant as required.

State Audit Law

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

The Alliance's report will be submitted to the Legislative Auditor before the due date of June 30, 2021.

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

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

Prior-Year Comments

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

The prior year management letter and oral comments regarding classification of expenditures and reconciliation of grant revenue and expenditures were repeated in the current year. Management has asserted the Alliance is working on implementing prior year recommendations.

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



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

A handwritten signature in black ink that reads 'Postlethwaite & Netterville' in a cursive script.

Donaldsonville, Louisiana
June 28, 2021

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

4/29/2021 (Date Transmitted)

Postlewaite & Netterville (CPA Firm Name)

8850 United Plaza Blvd., STE. 1001 (CPA Firm Address)

Baton Rouge, LA 70809 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2020 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

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

Yes ☒ No ☐

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

Yes ☒ No ☐

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

Yes ☒ No ☐

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

Yes ☒ No ☐

Open Meetings

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

Yes ☒ No ☐

Budget

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

Yes ☒ No ☐

Reporting

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

Yes ☒ No ☐

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

Prior-Year Comments

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

Yes [☒] No [☐]

General

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [☒] No [☐]


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

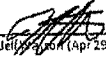
Yes [☒] No [☐]

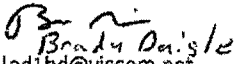
The previous responses have been made to the best of our belief and knowledge.

_____	Secretary	_____	Date
Tracy Wold	Treasurer	4/29/2021	Date
Jeff Watson	President	4/29/21	Date

TBW

Signature: 
Tracy Wold (Apr 29, 2021 11:37 CDT)
Email: twold@paffordems.com

Signature: 
Jeff Watson (Apr 29, 2021 17:59 CDT)
Email: jeff.watson@bossierfire.com

Signature: 
Brady Daisle 5/5/2021
Email: lad1bd@viscom.net

To the Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, LA.

We have reviewed the statement of financial position of the Louisiana Rural Ambulance Alliance (a non-profit organization) (the Alliance) as of December 31, 2020 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Alliance's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

During our review of the Alliance's financial statements as of December 31, 2020, we became aware of the following matter that represents an opportunity for improving financial reporting and refining policies and procedures. The following items summarize our comments and suggestions regarding this matter. This letter does not affect our review report dated June 28, 2021 on the financial statements of the Alliance.

ML 2020-001 Reconciliation of Grant Expenses

Condition:	Disbursements that are eligible for reimbursement under grant awards are properly segregated in the accounting records. Copies of the invoices are maintained in separate folders for each grant. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.
Recommendations:	The spreadsheets used to prepare the grant reimbursement requests should be reconciled to the accounting records to ensure completeness and accuracy.
Management's Response:	See management's response attached.

ML 2020-002 Reconciliation of Surge Hours

Condition: Although spreadsheets are maintained for surge revenue and expenses, the hours requested for reimbursement do not appear to be reconciled to hours paid to providers, which resulted in the following discrepancies:

Hurricane Laura Event

- The hours requested for reimbursement from the State exceeded the amount originally paid to providers in two instances for a total of 207.2 hours. This resulted in an overpayment from the State of \$50,779.
- A provider was underpaid 72 hours in one instance resulting in an underpayment to the provider in the amount of \$16,992.

ML 2020-002 Reconciliation of Surge Hours (continued)

- There were four separate instances where providers were overpaid. The total overpayment was for 41.64 hours resulting in an overpayment to the providers in the amount of \$9,233.

COVID-19 Event

- Hours requested for reimbursement from the State did not agree to the amount originally paid to providers in 23 instances resulting in a total underpayment to providers in the amount of \$20,374.

Recommendations: Hours requested from the State for reimbursement should be reconciled to hours paid to providers to prevent any payment discrepancies.

Management's Response: See management's response attached.

Status of Prior Year Management Letter Comments

2019-001 Reconciliation of Grant Expenses

Condition: Disbursements that are eligible for reimbursement under grant awards are properly segregated in the accounting records. Copies of the invoices are maintained in separate folders for each grant. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.

Current Status: This is a repeated comment in the current year. See ML 2020-001 Reconciliation of Grant Expenses above.

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

This information is intended solely for the information and use of the Board and management of the Louisiana Rural Ambulance Alliance and is not intended to be and should not be used for any other purpose.

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 28, 2021



June 28, 2021

Louisiana Legislative Auditor

The Louisiana Rural Ambulance Alliance (Alliance) respectfully submits the following corrective action plan for the year ended December 31, 2020.

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

Financial Statement Period: January 1, 2020 – December 31, 2020

The findings from the Management Letter are discussed below. The findings are numbered consistently with the numbers assigned in the Management Letter.

ML 2020-001 Reconciliation of Grant Expenses

Condition:	Disbursements that are eligible for reimbursement under grant awards are properly segregated in the accounting records. Copies of the invoices are maintained in separate folders for each grant. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.
Recommendations:	The spreadsheets used to prepare the grant reimbursement requests should be reconciled to the accounting records to ensure completeness and accuracy.
Management's Response:	The spreadsheets used to prepare the grant reimbursement requests will be reconciled to the accounting records monthly to ensure completeness and accuracy. The Alliance has recently hired a professional with a Bachelor of Science in Finance to work full time; this is one of her duties.

ML 2020-002 Reconciliation of Surge Hours

Condition:	Although spreadsheets are maintained for surge revenue and expenses, the hours requested for reimbursement do not appear to be reconciled to hours paid to providers, which resulted in the following discrepancies:
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Hurricane Laura Event

- The hours requested for reimbursement from the State exceeded the amount originally paid to providers in two instances for a total of 207.2 hours. This resulted in an overpayment from the State of \$50,779.

- A provider was underpaid 72 hours in one instance resulting in an underpayment to the provider in the amount of \$16,992.
- There were four separate instances where providers were overpaid. The total overpayment was for 41.64 hours resulting in an overpayment to the providers in the amount of \$9,233.

COVID-19 Event

- Hours requested for reimbursement from the State did not agree to the amount originally paid to providers in 23 instances resulting in a total underpayment to providers in the amount of \$20,374.

Recommendations: Hours requested from the State for reimbursement should be reconciled to hours paid to providers to prevent any payment discrepancies.

Management's Response: All overpayments and underpayments to providers have been corrected; overpayments from the state have been returned. The Alliance has hired a professional with a Bachelor of Science in Finance to work full time. This professional will reconcile requested payments to hours more frequently. There will be no more issues going forward.


Status of Prior Year Management Letter Comments

2019-001 Reconciliation of Grant Expenses

Condition: Disbursements that are eligible for reimbursement under grant awards are properly segregated in the accounting records. Copies of the invoices are maintained in separate folders for each grant. In order to submit a request for reimbursement, a spreadsheet is prepared for each grant using these invoices. However, neither the spreadsheet nor the grant reimbursement request are reconciled to the accounting records.

Current Status: This is a repeated comment in the current year. See ML 2020-001 Reconciliation of Grant Expenses above.

The above corrective action plan addresses the current year findings. If you need additional information concerning the corrective action plan, please contact me at your convenience.


Donna Newchurch, CEO