

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**MONROE, LOUISIANA**

*Financial Statements*  
*For the Year Ended December 31, 2020*



**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors of  
The Wellspring Alliance for Families, Inc.

### Report on the Financial Statements

We have audited the accompanying financial statements of The Wellspring Alliance for Families, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Wellspring Alliance for Families, Inc., as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the accompanying other financial information consisting of the schedule of compensation, reimbursements, benefits and other payments to agency head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2021, on our consideration of The Wellspring Alliance for Families, Inc.'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 the effectiveness of the Wellspring Alliance for Families, Inc.'s 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 Wellspring Alliance for Families, Inc.'s internal control over financial reporting and compliance.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
June 24, 2021

## FINANCIAL STATEMENTS

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2020**

**ASSETS**

**Current Assets**

Cash	\$ 567,994
Grants and Other Receivables	848,410
Promises to give, one year or less	132,807
Prepaid Expenses and Other Assets	65,283
Total Current Assets	<u>1,614,494</u>

Land, Building, and Other Assets	4,533,912
Less: Accumulated Depreciation	<u>(2,002,743)</u>
	2,531,169

**Other Assets**

Beneficial Interest in Wellspring Foundation	<u>302,959</u>
Total Other Assets	<u>302,959</u>

<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 4,448,622</u></b>
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**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts Payable	\$ 196,419
Accrued Expenses	168,806
Note Payable - PPP	612,382
Accrued Compensated Absences	132,491
Total Current Liabilities	<u>1,110,098</u>

**Net Assets**

Without Donor Restriction	
Undesignated	312,893
Fixed Assets	2,531,169
Beneficial Interest in Wellspring Foundation	<u>302,959</u>
	3,147,021

With Donor Restrictions	
Purpose/Time Restriction	<u>191,503</u>

Total Net Assets	<u>3,338,524</u>
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<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<b><u>\$ 4,448,622</u></b>
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The accompanying notes are an integral part of this financial statement.

**THE WELLSRING ALLIANCE FOR FAMILIES, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Totals
Revenues, Gains, and Other Support			
Contributions	\$ 199,632	\$ 223,634	\$ 423,266
In-kind Contributions	28,403	-	28,403
Counseling Fees	150,724	-	150,724
Grants	5,097,817	-	5,097,817
Interest and Dividend Income	10	-	10
Other Income	535,937	-	535,937
Gain (Loss) on Beneficial Interest in Wellspring Foundation	50,967	-	50,967
Net Unrestricted Revenues, Gains, and Other Support	6,063,490	223,634	6,287,124
Net Assets Released from Restrictions	182,215	(182,215)	-
Total Revenue, Gains, and Other Support	6,245,705	41,419	6,287,124
Expenses			
Program Services			
Counseling and Family Development	1,195,578	-	1,195,578
Domestic Violence	1,115,941	-	1,115,941
Family Justice Center	425,606	-	425,606
Homeless Services	1,692,721	-	1,692,721
Rural Victim Services	822,037	-	822,037
Youth Empowerment Program	104,561	-	104,561
Total Program Services	5,356,444	-	5,356,444
Management and General	726,168	-	726,168
Total Expenses	6,082,612	-	6,082,612
<u>INCREASE (DECREASE) IN NET ASSETS</u>	163,093	41,419	204,512
<u>NET ASSETS AT BEGINNING OF YEAR</u>	2,983,928	150,084	3,134,012
<u>NET ASSETS AT END OF YEAR</u>	<u>\$ 3,147,021</u>	<u>\$ 191,503</u>	<u>\$ 3,338,524</u>

The accompanying notes are an integral part of this financial statement.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	PROGRAM SERVICES							Management & General	Total
	Counseling- Family Development	Domestic Violence	Family Justice Center	Homeless Services	Rural Victim Services	Youth Empowerment Program	Total Program Services		
Salaries	743,456	\$ 519,496	\$ 242,467	\$ 521,289	\$ 390,803	78,926	\$ 2,496,437	575,978	\$ 3,072,415
Retirement Expense	10,006	9,619	4,527	6,054	3,962	797	34,965	12,995	47,960
Payroll Taxes	82,655	31,212	10,656	49,240	15,706	3,171	192,640	21,598	214,238
Employee Benefits	60,111	34,784	21,474	38,842	33,231	4,624	193,066	39,860	232,926
Total Salaries and Related	896,228	595,111	279,124	615,425	443,702	87,518	2,917,108	650,431	3,567,539
Computer Maintenance & Network	29,501	7,240	7,469	29,949	8,817	345	83,321	10,192	93,513
Direct Aid to Individuals	-	116,951	-	771,544	123,992	-	1,012,487	180	1,012,667
Dues and Memberships	1,253	437	797	165	150	-	2,802	7,919	10,721
Fund Raising	-	-	-	-	1,490	-	1,490	-	1,490
Groceries and Supplies	2,304	(1,774)	1,201	1,718	1,081	-	4,530	12,790	17,320
Indirect Costs Allocated	23,068	75,434	-	49,330	12,445	393	160,670	(160,670)	-
Insurance	31,920	42,009	22,508	23,042	28,706	2,733	150,918	10,765	161,683
Interest	-	-	-	-	-	-	-	2,146	2,146
In-Kind Contributions	-	-	-	4,163	24,240	-	28,403	-	28,403
Printing, Marketing and Public Relations	13,481	3,481	1,049	3,543	13,220	-	34,774	5,601	40,375
Miscellaneous	(219)	164	41	205	400	33	624	5,705	6,329
Office Supplies	5,213	3,917	(847)	33,639	1,157	6,022	49,101	4,851	53,952
Postage and Shipping	1,257	1,281	418	1,814	-	-	4,770	1,931	6,701
Professional Fees	55,096	12,438	-	15,709	83,291	150	166,684	19,904	186,588
Program Supplies	21,753	32,502	5,396	14,546	5,003	469	79,669	1,319	80,988
Rental Expense	49,996	(3)	2,934	76,162	27,875	1,985	158,949	5,112	164,061
Repairs and Maintenance	6,576	136,387	28,356	15,153	6,385	-	192,857	120,631	313,488
Seminars and Training	14,484	355	470	-	125	1,780	17,214	457	17,671
Telephone	13,488	16,456	12,407	7,911	14,066	686	65,014	8,991	74,005
Travel	8,668	852	492	7,068	6,362	1,656	25,098	281	25,379
Utilities	6,671	25,250	25,835	8,520	10,735	-	77,011	8,893	85,904
Bad Debt Expense	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	14,840	47,453	37,956	13,115	8,795	791	122,950	8,739	131,689
<b>TOTAL EXPENSES</b>	<b>\$ 1,195,578</b>	<b>\$ 1,115,941</b>	<b>\$ 425,606</b>	<b>\$ 1,692,721</b>	<b>\$ 822,037</b>	<b>\$ 104,561</b>	<b>\$ 5,356,444</b>	<b>\$ 726,168</b>	<b>\$ 6,082,612</b>

The accompanying notes are an integral part of this financial statement.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Increase in Net Assets	\$ 204,512
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation and Amortization	131,689
Unrealized (Gains) Losses on Investments Held at Foundation	(45,652)
(Increase) Decrease in Operating Assets:	
Grants Receivable and Promises to Give	5,690
Prepaid Expenses and Other Assets	(31,252)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	92,350
Accrued Expenses and Compensated Absences	47,640
Net Cash Provided by Operating Activities	<u>404,977</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Income/Realized Gains on Investments at Foundation	(5,315)
Acquisition of Property and Equipment	<u>(437,543)</u>
Net Cash Used by Investing Activities	(442,858)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Net Change in Note Payable - LOC	(45,000)
Net Increase on Note Payable - PPP	<u>612,382</u>
Net Cash Provided by Financing Activities	567,382

**NET INCREASE IN CASH AND CASH EQUIVALENTS** 529,501

**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR** 38,493

**CASH AND CASH EQUIVALENTS AT END OF YEAR** \$ 567,994

The accompanying notes are an integral part of this financial statement.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 1 - Summary of Significant Accounting Policies**

**Organization**

The Wellspring Alliance for Families, Inc., formerly known as YWCA of Northeast Louisiana (the Organization), founded in 1931, serves citizens from 15 parishes in Central and Northeast Louisiana with direct services, education, and advocacy. The agency mission, to strengthen and value individuals and families through professional services and community leadership with compassion and integrity, provides the direction for services and programs which include counseling, telephone crisis intervention, emergency shelter and housing, and mentoring (Youth Empowerment Program).

**Promises to Give**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without restriction if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without restriction.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Estimates**

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

**Receivables**

The Organization uses the direct write-off method for bad debts. The results of this method do not materially differ from the allowance method.

**Fixed Assets**

Fixed assets acquired by The Wellspring Alliance for Families, Inc., are considered to be owned by the Organization. However, federal and state funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1 - Summary of Significant Accounting Policies (continued)

Fixed Assets (continued)

Purchases of fixed assets and major improvements in excess of \$1,000 are capitalized at cost. The cost of furniture and equipment acquired prior to 1965 is not determinable and, therefore, is not shown. Value for fixed assets donated prior to 1986 is not determinable and, therefore, not shown. As of January 1, 1986, donated assets have been recorded at their fair market value. Depreciation is computed on the straight-line method over the asset's estimated useful life. The net fixed asset balance has been recorded as separate component net assets without donor restriction.

Income Taxes

The Organization is recognized as a nonprofit corporation under the laws of the State of Louisiana and under Internal Revenue Code Section 501(c)(3). It is, therefore, exempt from federal and state corporation income taxes and no provisions are made for those taxes in the financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509 (a) of the Internal Revenue Code. There was no unrelated business income for 2020. The earliest income tax year that is subject to examination is 2017.

Financial Statement Presentation

FASB adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities Topic 958*: *Presentation of Financial Statements of Not-for-Profit Entities* establishing standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to externally (donor) imposed restrictions. ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Net Assets Without Donor Restriction - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Budget Policy

Budgets for various programs are prepared by the Organization and approved by the grantor of the funds for each respective program as well as the Board of Directors.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 2 - Promises to Give**

Promises to give consist of the following:

Louisiana Bar Foundation	\$ 24,154
United Way	98,153
Sisters of Charity	10,000
Living Well	500
Total Promises to Give	<u>\$ 132,807</u>

**Note 3 - Beneficial Interest in Wellspring Foundation**

During 1999, the Organization received a substantial unrestricted contribution from a donor. The Board voted to set aside \$100,000 to start an endowment fund. Because designations are voluntary and may be reversed by the governing board, these designated assets are not considered restricted and are included in the accompanying statement of financial position as net assets without donor restrictions. In 2009, the Organization began to fund the endowment by converting a CD with a starting balance of \$42,300 for that purpose. All interest earnings are deposited into the CD. In 2009, the Wellspring also opened a savings account to collect memorials and other miscellaneous contributions which are going toward the endowment. During 2011, the CD was not renewed but instead moved into the savings account. During 2012, these funds that were set aside in the savings account were released and used for other purposes.

Also, during 2012, a portion of the stock received from the Bullington Estate in 2010, was transferred to The Wellspring Alliance for Families Foundation totaling \$99,730 to set up the endowment. The Wellspring Alliance for Families Foundation is set up as a 509(a)(3) supporting organization operated exclusively for the benefit of The Wellspring Alliance for Families, Inc. At December 31, 2020, the Wellspring Alliance for Families Foundation investments were valued at \$302,958 which consists of the initial investment of \$99,730 and the unrealized gains of \$167,599 and cumulative dividends of \$35,629. Memorials received by The Wellspring Alliance for Families that are not designated to a particular program will be moved to The Wellspring Alliance for Families Foundation.

In October of 2020, the Board voted to dissolve the Foundation and transfer its assets to The Wellspring Alliance for Families. This is expected to be completed during 2021.

**Note 4 - Land, Buildings and Equipment**

Major fund classes of land, building, and equipment consist of the following:

The Wellspring Building and Parking Lot	\$ 569,101
The Wellspring Land	2,500
Holly Street Property and Improvements	839,360
Holly Street/Railroad Street Land	204,552
Holly Street Furniture and Equipment	30,269
The Wellspring Furniture and Equipment	101,721
Shelter House and Improvements	288,028
Shelter House Land	5,000
Transitional Housing Improvements	4,132
Rape Crisis Equipment – VOCA	342
Family Violence Furniture and Equipment	49,641

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 4 - Land, Buildings and Equipment (continued)**

Family Justice Center	72,493
Rape Crisis Equipment	2,226
Child Abuse – VOCA	4,955
Crisis Lines	4,383
Shelter Annex Building and Improvements	221,837
Shelter Annex Land	12,000
Outreach and Prevention Equipment	84,688
Big Brothers, Big Sisters Equipment	12,938
Rural Housing Furniture and Fixtures	232,876
Family Justice Center Building	1,158,178
Family Justice Center Land	151,657
Riverside Drive – Building A	168,629
Riverside Drive – Building A Land	22,014
Counseling Furniture and Equipment	73,236
Construction in Progress	<u>217,156</u>
Total	4,533,912
Less: Accumulated Depreciation	<u>( 2,002,743)</u>
Net Land, Buildings, and Equipment	<u>\$ 2,531,169</u>

Depreciation expense for the year ended December 31, 2020 totaled \$131,689.

**Note 5 - Compensated Absences**

The Organization's personnel policies permit carry forward of sick time. However, employees are not paid for any unused sick time upon termination. Because the payment for accumulated sick time is contingent upon future employee illness, a liability is not recorded. Accrued compensated absences in the amount of \$132,491 are recorded for vested vacation time.

**Note 6 - In-Kind Contributions**

In-kind contributions for funds receiving government grants consist of time donated by volunteer workers at a rate of ten to twenty-five dollars per hour established by state and federal regulatory agencies providing the grant funds and donated food, clothing, medical facilities, office space, advertising and other items valued at estimated fair market value. The volunteer hours and donated food and clothing are not recorded in the financial statements.

The following in-kind contributions are recorded in the financial statements:

Office Space	24,240
Television, Radio, Billboards and Newspaper Ads	<u>4,163</u>
Total Recorded In-Kind Contributions	<u>\$ 28,403</u>

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 7 - Defined Contribution Plan**

During 2007, the Organization received notice from the Young Women's Christian Association Fund that, as of January 1, 2008, non-YWCA organizations would no longer be eligible to participate in the Fund. As a result, the Organization established a 401(k) and contributory plan to be effective January 1, 2008. Employees with more than 90 days of service may contribute to the plan on a pre-tax basis. Employer matching contributions are allowed by the plan; however, none were made for 2020. The Organization's profit sharing remained at 2% for 2020. The Organization anticipates a 3% profit sharing contribution during all of 2021. Employees with at least 24 months of service in which they earned 2,000 hours are eligible for the profit sharing contribution. Retirement expense was \$47,960 for 2020.

**Note 8 - Commitments and Contingencies**

**Economic Dependence**

The Organization receives a substantial amount of its support from federal and state government grants and from the United Way. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's programs and activities.

**Line of Credit**

The Organization has entered into two line of credit agreements with local banks. The two lines of credit have a combined balance available of \$250,000 and can be used for operating expense shortfalls. At the end of 2020, the Organization had a balance of \$0 outstanding.

Interest of \$2,146 was paid during 2020.

**Note 9 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 567,994
Receivables (including promises to give)	848,110
Beneficial Interest in Foundation	<u>302,959</u>
 Total Liquid and Available Assets	 <u>\$ 1,719,063</u>

**Note 10 - Concentrations of Credit Risk**

**Cash**

The Organization maintains its cash balances in two financial institutions. At December 31, 2020, the Organization had bank statement balances totaling \$622,689, of which \$358,201 was insured by the Federal Deposit Insurance Corporation.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**Note 11 - Fair Value Measurements**

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

		<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices</u>		
		<u>in Active</u>	<u>Significant</u>	<u>Significant</u>
		<u>Markets for</u>	<u>Other</u>	<u>Unobservable</u>
		<u>Identical</u>	<u>Observable</u>	<u>Inputs</u>
		<u>Assets/</u>	<u>Inputs</u>	<u>(Level 3)</u>
		<u>Liabilities</u>	<u>(Level 2)</u>	
		<u>(Level 1)</u>		
<u>December 31, 2020</u>	<u>Fair Value</u>			
Beneficial Interest				
In Foundation	\$ 302,959	\$ 302,959	-	-

**Note 12 - Receivables**

The Organization receives a substantial amount of its support from governmental entities and United Way. At December 31, 2020, account receivables consisted of:

State and Federal Government Funds	<u>\$ 822,965</u>
Promises to Give:	
Living Well	\$ 500
Louisiana Bar Association	24,154
Sisters of Charity	10,000
United Way of Northeast Louisiana	<u>98,153</u>
Total Promises to Give	<u>\$ 132,807</u>
Miscellaneous Receivables	<u>\$ 25,445</u>

**Note 13 - Advertising**

Advertising costs are expensed as incurred. During 2020, the Organization expensed \$40,375 as marketing and printing expenses and \$4,163 as in-kind advertising donations.

**Note 14 - Leases**

The Counseling and Family Development Center lease was signed beginning in May 2014 through May 2017. This lease was renewed for an additional three years through May 2020 and continues on a month-to-basis. During 2016, the Outreach, Prevention and Rapid Rehousing Program was relocated to a new location signing a three year lease running through April 2019 and renewed for another three years in 2019. Also, the Organization has leased several apartments for a year each, ranging from \$450 to \$725 per month, for various dates concluding in 2021 along with several other apartments on a month-to-month basis. The Organization also leases several satellite offices on a month-to-month basis and rents various office equipment items under operating leases. Rentals aggregating \$164,061 were charged to expense during 2020.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 14 - Leases (continued)

Minimum future rental payments under non-cancelable operating leases as of December 31, 2020, are as follows:

<u>December 31,</u>	<u>Amount</u>
2021	\$ 134,505
2022	31,555
2023	-
2024	<u>-</u>
Total	<u>\$ 166,060</u>

Note 15 - Subsequent Events

Management has evaluated subsequent events through June 24, 2021, the date which the financial statements were available to be issued. This evaluation included the effects of the COVID-19 pandemic and the ensuing economic impact on the Wellspring. During the spring of 2020, the Wellspring received a loan through the Paycheck Protection Program. This loan was used to pay salaries and benefits to employees. The loan was forgiven in the spring of 2021.

As of June 24, 2021, management has not identified any material effects to the financial statements and is unable to determine what, if any, effects this will have on future operations.

OTHER SUPPLEMENTARY INFORMATION –  
GRANT INFORMATION

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Federal CFDA Number	Fiscal Period	Program or Award Amount	Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>				
Raise the Roof	14.267	2020	163,083	\$ 163,083
Reach Out: The Rural Initiative	14.267	2019-2020	278,421	88,315
Reach Out: The Rural Initiative	14.267	2020-2021	271,869	173,803
Regional Rapid Rehousing	14.267	2019-2020	140,132	118,523
Regional Rapid Rehousing	14.267	2020-2021	188,664	11,529
Permanent Supportive Housing	14.267	2019-2020	255,150	233,631
Permanent Supportive Housing	14.267	2020-2021	431,952	9,851
HUD DV Rapid Rehousing	14.267	2020	91,324	91,371
HUD DV Coordinated Entry	14.267	2020-2021	94,205	5,190
Through Northeast Louisiana Housing and Supportive Services				
HUD Coordinated Entry	14.267	2019-2020	96,556	69,042
HUD Coordinated Entry	14.267	2020-2021	119,944	31,360
				<u>995,698 *</u>
Through City of Monroe, LA				
HUD Emergency Solutions Grants Program	14.231	2019-2020	75,000	27,519
HUD Emergency Solutions Grants Program	14.231	2020-2021	61,208	20,078
Through Northeast Louisiana Housing and Supportive Services				
ESG-CV Cares Act	14.231	2020-2021	197,943	29,330
				<u>76,927</u>
<b><u>U.S. Department of Justice</u></b>				
Violence Against Women Transitional Housing	16.736	2017-2022	807,539	88,190
Wellspring Legal Assistance Program	16.524	2016-2020	600,000	23,689
Wellspring SAFER MultiDisciplinary Hight Risk Team Program	16.589	2016-2022	1,101,099	228,523
Justice Systems Response for Families	16.021	2015-2021	1,050,000	180,586
Improving Criminal Justice Responses	16.590	2018-2021	450,000	155,701
Through Louisiana Commission on Law Enforcement				
Victims Assistance Program - 5069	16.575	2020-2021	1,031,832	704,047
Domestic Violence Program 3 - 5233	16.575	2020-2021	112,204	56,163
				<u>760,210</u>
Domestic Violence Program - 5375	16.588	2020	18,561	18,561
Sexual Assault - 5374	16.588	2020	35,415	35,074
				<u>53,635</u>
Sexual Assault Services Program - 5361	16.017	2020	52,779	52,733
Youth Empowerment Program - 5728	16.540	2020-2021	35,294	4,971

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020 (CONTINUED)**

	Federal CFDA Number	Fiscal Period	Program or Award Amount	Federal Expenditures
<u>U.S. Department of Agriculture</u>				
Through Louisiana Department of Education				
Child and Adult Care Food Program	10.558	2019-2020	39,121	2,328
Child and Adult Care Food Program	10.558	2020-2021	27,227	553
				<u>2,881</u>
<u>Louisiana Department of Health &amp; Human Services</u>				
HOPE Project	93.592	2020-2022	301,538	30,372
<u>Louisiana Department of Health &amp; Hospitals</u>				
Through Louisiana Foundation Against Sexual Assault				
Rape Crisis Program	93.991	2019-2020	38,521	11,462
Rape Crisis Program	93.991	2020-2021	57,269	50,137
				<u>61,599</u>
RPE Expansion Program	93.136	2020-2021	23,000	19,683
Through Office of Behavioral Health				
Northeast Delta Human Services Authority	93.958	2019-2020	50,649	26,132
Northeast Delta Human Services Authority	93.958	2020-2021	50,649	7,675
				<u>33,807</u>
<u>Louisiana Department of Children and Family Services</u>				
Family Violence Prevention & Services	93.671	2019-2020	625,041	310,330
Family Violence Prevention & Services	93.671	2020-2021	808,430	331,931
DCFS CARES	93.671	2020-2021	50,934	20,677
				<u>662,938</u>
Temporary Assistance to Needy Families	93.558	2020	83,031	59,484
Temporary Assistance to Needy Families	93.558	2020-2021	374,093	171,317
				<u>230,801</u>
Through Tulane University				
Child Care and Development Block Grant	93.575	2019-2020	178,694	50,018
Child Care and Development Block Grant	93.575	2020-2021	400,400	134,926
				<u>184,944</u>
<u>U.S. Department of Homeland Security</u>				
Emergency Food and Shelter Program	97.024	2020-2021	27,000	24,117
Emergency Food and Shelter Program	97.024	2020-2021	27,000	25,642
				<u>49,759</u>

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020 (CONTINUED)**

	<u>Federal CFDA Number</u>	<u>Fiscal Period</u>	<u>Program or Award Amount</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Veterans Affairs</u>				
Supportive Services for Veteran Families	64.033	2019-2020	667,243	457,251
Supportive Services for Veteran Families	64.033	2020-2021	731,406	3,861
Supportive Services for Veteran Families	64.033	2020-2021	364,791	364,791
Supportive Services for Veteran Families	64.033	2020-2022	754,808	67,771
				<u>893,674</u>
Total Federal Expenditures				<u>\$ 4,791,321</u>

\* Denotes major programs.

See accompanying notes to schedule of expenditures of federal awards.

**THE WELLSRING ALLIANCE FOR FAMILIES, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES**  
**OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of The Wellspring Alliance for Families, Inc. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The information in this 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

3. Federal Indirect Cost Rate

The Wellspring Alliance for Families, Inc. did not elect to use the 10% de minimis federal indirect cost rate for the year ended December 31, 2020.

# CAMERON, HINES & COMPANY

(A Professional Accounting Corporation)

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors of  
The Wellspring Alliance for Families, Inc.

We have audited, in accordance with the 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, the financial statements of The Wellspring Alliance for Families, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 24, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered The Wellspring Alliance for Families, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Wellspring Alliance for Families, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Wellspring Alliance for Families, Inc.'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 significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether The Wellspring Alliance for Families, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under the *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 Wellspring Alliance for Families, Inc.'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 Wellspring Alliance for Families, Inc.'s internal control and compliance. Accordingly, the communication is not suitable for any other purpose.

*Cameron Hines & Company (APAC)*

West Monroe, Louisiana  
June 24, 2021

# CAMERON, HINES & COMPANY

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*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors of  
The Wellspring Alliance for Families, Inc.

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

We have audited The Wellspring Alliance for Families, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Wellspring Alliance for Families, Inc.'s major federal programs for the year ended December 31, 2020. The Wellspring Alliance for Families, Inc.'s major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditors' Responsibility***

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on The Wellspring Alliance for Families, Inc.'s compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, The Wellspring Alliance for Families, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended December 31, 2020.

### **Report on Internal Control Over Compliance**

Management of The Wellspring Alliance for Families, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Wellspring Alliance for Families, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Wellspring Alliance for Families, Inc.'s 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 a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
June 24, 2021

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**SUMMARY OF AUDIT RESULTS**

1. The auditors' report expressed an unmodified opinion on the financial statements of The Wellspring Alliance for Families, Inc. (Wellspring).
2. No significant deficiencies were disclosed during the audit of the financial statements to be reported in the 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* and Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
3. No instances of noncompliance material to the financial statements of The Wellspring Alliance for Families, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs in the Report On Compliance With Requirements That Could Have A Direct and Material Effect on Each Major Program And On Internal Control Over Compliance In Accordance With Title 2 U. S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Uniform Guidelines Requirements for Federal Awards.
5. The auditors' report on compliance for the major federal award programs for The Wellspring Alliance for Families, Inc., expressed an unmodified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award program for Wellspring.
7. The program tested as a major program included the Department of Housing and Urban Development under CFDA #14.267.
8. The threshold for distinguishing between Types A and B programs was \$750,000.
9. Wellspring does qualify to be a low-risk auditee.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

(Continued)

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**U.S. Department of Housing and Urban Development**

CFDA No. 14.267; Program Period - 5/1/19-12/31/21

There were no findings that relate to this major federal program.

**FINDINGS - FINANCIAL STATEMENT AUDIT**

None

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**STATUS OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

There were no findings in the prior year audit report dated November 3, 2020.

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS**  
**AND OTHER PAYMENTS TO AGENCY HEAD**  
**DECEMBER 31, 2020**

Agency Head -  
 Caroline Cascio

Salary and Expense Account	\$ 100,407
Per Diem Allowance	-
Benefits - Insurance	7,426
Benefits - Retirement	2,008
Cell Phone Reimbursement	600
Travel	57
Registration Fees	-
Conference Travel	-
Continuing professional education fees	-
	<hr/>
	<b><u>\$ 110,498</u></b>