

THE ARC OF ACADIANA, INC.

Financial Statements

Years Ended June 30, 2023 (Reviewed)
and 2022 (Audited)



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Independent Accountant's Review Report

To the Board of Directors
The Arc of Acadiana, Inc.
New Iberia, Louisiana

We have reviewed the accompanying financial statements of The Arc of Acadiana, Inc. (the Arc), which comprise the statements of financial position as of June 30, 2023, the related statements of activities, 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 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 taken 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. 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.

We are required to be independent of the Arc and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's 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.

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Report on 2022 Financial Statements

The 2022 financial statements of The Arc of Acadiana, Inc. were audited by us, and we expressed an unmodified opinion on them in our report, dated December 28, 2022. We have not performed any auditing procedures since that date.

Other Matter - Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.



A Professional Accounting Corporation

Covington, LA
December 11, 2023

THE ARC OF ACADIANA, INC.
 Statements of Financial Position
 June 30, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and Cash Equivalents - Unrestricted	\$ 14,458,312	\$ 20,980,695
Investments	17,559,155	6,517,465
Receivables	146,989	162,638
Due from Other Agencies, Net	1,805,237	2,283,492
Prepaid Expenses	241,572	218,016
Other Current Assets	134,765	35,559
	<u>34,346,030</u>	<u>30,197,865</u>
Fixed Assets		
Property and Equipment, Net	18,364,368	18,113,836
	<u>18,364,368</u>	<u>18,113,836</u>
Other Assets		
Cash Held for Others	199,927	189,356
Assets Held for Sale	192,966	224,442
	<u>392,893</u>	<u>413,798</u>
	<u>392,893</u>	<u>413,798</u>
Total Assets	<u>\$ 53,103,291</u>	<u>\$ 48,725,499</u>

See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.
 Statements of Financial Position (Continued)
 June 30, 2023 and 2022

	2023	2022
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 436,527	\$ 428,340
Accrued Liabilities	930,779	851,948
Accrued Compensated Absences	486,236	485,880
Due to Other Agencies	637,043	-
	<hr/>	<hr/>
Total Current Liabilities	2,490,585	1,766,168
Other Liabilities		
Deposits Held for Others	199,927	189,356
	<hr/>	<hr/>
Total Other Liabilities	199,927	189,356
	<hr/>	<hr/>
Total Liabilities	2,690,512	1,955,524
Net Assets		
Without Donor Restrictions	50,348,139	46,569,759
With Donor Restrictions	64,640	200,216
	<hr/>	<hr/>
Total Net Assets	50,412,779	46,769,975
	<hr/>	<hr/>
Total Liabilities and Net Assets	\$ 53,103,291	\$ 48,725,499
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See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.
Statement of Activities
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Program Revenue	\$ 28,467,837	\$ -	\$ 28,467,837
Contributions	25,921	-	25,921
Contributions, In-Kind	1,091,391	-	1,091,391
Investment Return, Net	579,742	-	579,742
Miscellaneous Revenue	32,865	-	32,865
Membership Revenue	12,035	-	12,035
	<u>30,209,791</u>	<u>-</u>	<u>30,209,791</u>
Net Assets Released from Restrictions			
Expiration of Time Restrictions	135,576	(135,576)	-
	<u>30,345,367</u>	<u>(135,576)</u>	<u>30,209,791</u>
Expenses and Losses			
Program Expenses			
Community Services	9,970,876	-	9,970,876
Employment Services	5,767,614	-	5,767,614
Residential Services	8,381,444	-	8,381,444
Supporting Expenses			
General and Administrative	2,520,371	-	2,520,371
	<u>26,640,305</u>	<u>-</u>	<u>26,640,305</u>
Gain on Sale of Property and Equipment, Net	(73,318)	-	(73,318)
	<u>26,566,987</u>	<u>-</u>	<u>26,566,987</u>
Change in Net Assets	3,778,380	(135,576)	3,642,804
Net Assets, Beginning of Year	<u>46,569,759</u>	<u>200,216</u>	<u>46,769,975</u>
Net Assets, End of Year	<u>\$ 50,348,139</u>	<u>\$ 64,640</u>	<u>\$ 50,412,779</u>

See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.
Statement of Activities
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Program Revenue	\$ 26,275,158	\$ -	\$ 26,275,158
Contributions	35,424	-	35,424
Contributions, In-Kind	1,038,415	-	1,038,415
Investment Return, Net	(230,806)	-	(230,806)
Miscellaneous Revenue	9,035	-	9,035
Membership Revenue	3,519	-	3,519
	<u>27,130,745</u>	<u>-</u>	<u>27,130,745</u>
Net Assets Released from Restrictions			
Expiration of Time Restrictions	<u>180,864</u>	<u>(180,864)</u>	<u>-</u>
Total Revenues, Gains, and Other Support	<u>27,311,609</u>	<u>(180,864)</u>	<u>27,130,745</u>
Expenses and Losses			
Program Expenses			
Community Services	9,807,154	-	9,807,154
Employment Services	5,482,708	-	5,482,708
Residential Services	7,967,189	-	7,967,189
Supporting Expenses			
General and Administrative	<u>2,265,243</u>	<u>-</u>	<u>2,265,243</u>
Total Expenses	<u>25,522,294</u>	<u>-</u>	<u>25,522,294</u>
Gain on Sale of Property and Equipment and Assets Held for Sales, Net	(123,665)	-	(123,665)
Impairment Loss on Assets Held for Sale	<u>149,000</u>	<u>-</u>	<u>149,000</u>
Total Expenses and Losses	<u>25,547,629</u>	<u>-</u>	<u>25,547,629</u>
Change in Net Assets	<u>1,763,980</u>	<u>(180,864)</u>	<u>1,583,116</u>
Net Assets, Beginning of Year	<u>44,805,779</u>	<u>381,080</u>	<u>45,186,859</u>
Net Assets, End of Year	<u>\$ 46,569,759</u>	<u>\$ 200,216</u>	<u>\$ 46,769,975</u>

See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Services			Supporting Services	Total
	Community Services	Employment Services	Residential Services	General and Administrative	
Advertising	\$ 304	\$ 3,123	\$ 250	\$ 690	\$ 4,367
Assistance Payments	639	14	-	-	653
Bed Fees	-	-	599,345	-	599,345
Clothing	-	-	8,174	-	8,174
Cost of Sales	-	1,089,941	-	-	1,089,941
Data Processing	69,728	38,465	22,578	3,194	133,965
Depreciation	13,644	544,989	238,756	102,786	900,175
Dietary	2,796	6,036	359,542	8,115	376,489
Drugs and Drug Screening	-	467	30,655	-	31,122
Dues and Subscriptions	726	1,317	700	37,672	40,415
Employee Benefits	226,614	73,817	153,066	79,996	533,493
Gifts and Remembrances	470	665	422	203,941	205,498
Insurance	171,791	600,935	372,712	101,084	1,246,522
Interest and Late Fees	224	563	2,025	503	3,315
Laundry and Linen	-	517	17,289	-	17,806
Lease Equipment	-	-	435	-	435
Licenses	800	2,210	7,204	-	10,214
Medical Services	1,925	548	50,296	-	52,769
Medical Supplies	2,596	3,820	175,053	-	181,469
Miscellaneous	3,926	22,436	3,034	20,425	49,821
Office Supplies	9,817	18,299	26,913	22,362	77,391
Payroll Taxes	669,196	177,322	317,453	94,340	1,258,311
Professional Fees	63,285	29,698	896,173	88,499	1,077,655
Purchase of Assets < \$5,000	2,933	7,933	46,596	6,706	64,168
Recruitment	6,328	462	13,197	24,674	44,661
Rent	-	75,610	-	-	75,610
Repairs and Maintenance	16,559	177,485	213,873	18,681	426,598
Salaries and Wages	8,634,948	2,331,181	4,237,740	1,626,281	16,830,150
Supplies	2,871	48,551	94,195	3,052	148,669
Taxes and Fees	1,478	1,756	926	8,379	12,539
Telephone	9,526	26,577	42,155	27,173	105,431
Training	25,246	5,058	6,837	618	37,759
Transportation	8,380	300,980	73,355	11,104	393,819
Travel	13,439	5,493	19,679	9,232	47,843
Utilities	10,687	171,346	350,816	20,864	553,713
Total	\$ 9,970,876	\$ 5,767,614	\$ 8,381,444	\$ 2,520,371	\$ 26,640,305

See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services			Supporting Services	Total
	Community Services	Employment Services	Residential Services	General and Administrative	
Advertising	\$ 1,753	\$ 181	\$ 1,905	\$ 6	\$ 3,845
Assistance Payments	2,560	40	-	-	2,600
Bed Fees	-	-	602,298	-	602,298
Clothing	-	-	6,900	-	6,900
Cost of Sales	-	1,043,664	2	5	1,043,671
Data Processing	70,454	31,691	29,034	5,662	136,841
Depreciation	346	584,629	219,985	95,075	900,035
Dietary	2,233	3,209	332,915	7,093	345,450
Drugs and Drug Screening	-	125	21,069	-	21,194
Dues and Subscriptions	425	540	1,039	32,523	34,527
Employee Benefits	230,273	76,225	169,957	76,854	553,309
Gifts and Remembrances	723	630	1,252	3,427	6,032
Insurance	198,376	587,513	335,443	97,176	1,218,508
Interest and Late Fees	54	1,575	557	-	2,186
Laundry and Linen	-	109	17,515	-	17,624
Licenses	800	2,376	8,803	-	11,979
Medical Services	4,667	2,265	39,743	313	46,988
Medical Supplies	7,012	6,409	155,409	66	168,896
Miscellaneous	8,740	7,544	6,210	13,404	35,898
Office Supplies	15,007	13,161	27,779	18,544	74,491
Payroll Taxes	646,506	159,356	324,515	89,594	1,219,971
Professional Fees	58,313	31,172	330,533	115,039	535,057
Purchase of Assets < \$5,000	3,507	5,881	69,301	1,220	79,909
Recruitment	100,632	742	57,340	36,931	195,645
Rent	-	80,306	-	-	80,306
Repairs and Maintenance	9,070	143,716	230,839	14,656	398,281
Salaries and Wages	8,391,808	2,104,161	4,356,110	1,541,222	16,393,301
Supplies	157	48,790	104,466	3,708	157,121
Taxes and Fees	240	2,371	555	7,363	10,529
Telephone	9,459	23,365	44,460	24,453	101,737
Training	10,831	2,322	3,365	27,940	44,458
Transportation	7,091	346,784	80,934	20,137	454,946
Travel	17,954	11,527	14,320	14,642	58,443
Utilities	8,163	160,329	372,636	18,190	559,318
Total	\$ 9,807,154	\$ 5,482,708	\$ 7,967,189	\$ 2,265,243	\$ 25,522,294

See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.
Statements of Cash Flows
For the Years Ended June 30, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Changes in Net Assets	\$ 3,642,804	\$ 1,583,116
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	900,175	900,035
Realized and Unrealized (Gain) Loss on Investments, Net	(246,690)	254,305
Donated Property	200,000	-
Gain on Sale of Fixed Assets, Net	(73,318)	(103,616)
Gain on Sale of Assets Held for Sale	-	(20,049)
Impairment Loss on Assets Held for Sale	-	149,000
(Increase) Decrease in Assets		
Receivables	15,649	(4,007)
Due from Other Agencies	478,255	(883,463)
Prepaid Expenses	(23,556)	(93,172)
Other Current Assets	(99,206)	(8,177)
Increase (Decrease) in Liabilities		
Accounts Payable	8,187	103,609
Accrued Liabilities	78,831	50,543
Accrued Compensated Absences	356	25,241
Due to Other Agencies	637,043	-
Deposits Held for Others and Other Liabilities	10,571	(101,243)
Net Cash Provided by Operating Activities	5,529,101	1,852,122
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(1,326,565)	(4,083,803)
Proceeds from Sale of Fixed Assets	80,652	147,058
Proceeds from Sale of Assets Held for Sale	-	164,900
Purchase of Investments	(10,795,000)	(24,100)
Net Cash Used in Investing Activities	(12,040,913)	(3,795,945)
Net Decrease in Cash, Cash Equivalents, and Restricted Cash	(6,511,812)	(1,943,823)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	21,170,051	23,113,874
Cash, Cash Equivalents, and Restricted Cash, End of Year	\$ 14,658,239	\$ 21,170,051
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Interest	\$ 331	\$ 17
Supplemental Schedule of Non-Cash Investing Activities		
Transfer of Land from Property and Equipment to Assets Held for Sale	\$ 168,524	\$ 24,442

See accompanying notes and independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

The accompanying basic financial statements include the accounts of The Arc of Acadiana, Inc. (the Arc), a Louisiana nonprofit corporation originally chartered in August 1954. The Arc's purpose is to promote the general welfare of developmentally disabled physically handicapped and incapacitated citizens in the Acadiana area and to aid their parents and families. The following is a description of the various programs:

Community Services

The programs listed below are consolidated into one program. These programs operate in New Iberia, Lafayette, Rayne, Vermilion and Opelousas, Louisiana.

Independent Living - The Arc supervises adults who are developmentally disabled that live in their own home or apartment.

Personal Care Assistance (PCA) and Individual Family Support (IFS) - The PCA and IFS programs provide the services to the Independent Living program on more of a "one-on-one" basis. These programs are administered completely out of the clients' homes.

Employment Services

Employment Services is a day program for citizens of the community who are developmentally disabled. The day program operates in Iberia, Lafayette, St. Landry, and Vermilion Parishes. Employment Services also operates several used clothing stores with locations in New Iberia, Lafayette, Eunice, Abbeville, and Opelousas, Louisiana as well as provides various services such as janitorial and lawn care. Sales from these stores and services account for approximately 4% and 5% of program revenue for the years ended June 30, 2023 and 2022, respectively.

Residential Services

Residential Services provides homes in Iberia, Lafayette, Acadia, and Bossier Parishes for adults who are developmentally disabled.

Operating Fund

The operating fund is used to account for all general and administrative expenses of the Arc.

Basis of Accounting

The accompanying basic financial statements have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and liabilities.

Basis of Presentation

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

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

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

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

Net Assets With Donor Restrictions - Net assets whose use is limited by donor- or grantor-imposed time and/or purpose restrictions. Contributions with donor restrictions are reported as revenues with donor restrictions. Once funds are expended for their restricted purpose, these net assets with donor restrictions are released to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. As of June 30, 2023 and 2022, there was \$64,640 and \$200,216, respectively, of net assets with donor restrictions.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Arc considers all highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash equivalents. See Note 9 for further information regarding the cash held for others.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash as reported on the statements of financial position that sum to the total of such amounts reported on the statements of cash flows at June 30:

	2023	2022
Cash and Cash Equivalents - Unrestricted	\$ 14,458,312	\$ 20,980,695
Cash Held for Others	199,927	189,356
Total	\$ 14,658,239	\$ 21,170,051

Investments

Investments in certificates of deposit and money market funds are presented in the financial statements at cost which approximates fair market value. Investments in equity securities with readily determinable fair values and investments in debt securities are reported at their fair values in the statements of financial position. Unrealized and realized gains and losses, interest and dividends, and investment expenses are reported net of investment fees in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Allowance for Doubtful Accounts

The Arc considers amounts due from other agencies to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded.

Property and Equipment

Purchased property and equipment in excess of \$5,000 are capitalized and recorded at cost at the date of acquisition. Contributed property and equipment are recorded at fair value at the date of donation. In the absence of donor stipulations regarding how long the contributed assets must be used, the Arc has adopted a policy of implying a time restriction on contributions of such assets which expire over the assets' useful lives. As a result, all contributions of property and equipment, and of assets contributed to acquire property and equipment, are recorded as restricted support.

Depreciation and amortization are computed by the straight-line method at rates based on the following estimated useful lives:

Furniture and Equipment	5 - 20 Years
Building and Improvements	7 - 30 Years
Transportation Equipment	3 - 5 Years

Impairment of Long-Lived Assets

The Arc reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is present when the sum of undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. During the years ended June 30, 2023 and 2022, there were no impairment losses recognized for long-lived assets.

Assets Held for Sale

Individual long-lived assets to be disposed of by sale are classified as assets held for sale. Assets held for sale are carried at the lower of their carrying amount or fair value less selling costs and are presented separately on the face of the statements of financial position. Upon classification as assets held for sale, the assets are no longer depreciated.

Assets held for sale consist of two properties totaling \$192,966 and \$224,442 as of June 30, 2023 and 2022, respectively. For the years ended June 30, 2023 and 2022, the Arc recognized \$-0- and \$149,000, respectively, in impairment loss related to one property. The adjustment was made to reflect decline in the estimated net realizable value of real property and building in the surrounding area and was included in impairment loss on the statements of functional expenses.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Revenue and Revenue Recognition

Program Revenue

A portion of the Arc's program revenues are derived from cost-reimbursable federal and state contracts, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Arc has incurred expenditures in compliance with specific contract provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. There were \$637,043 and \$-0- of refundable advances as of June 30, 2023 and 2022, respectively, which are included in due to other agencies in the statements of financial position.

Contributions

The Arc recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Contributions received with donor restrictions that are met in the same year are recognized as increases in net assets without donor restrictions. There were no conditional promises to give as of June 30, 2023 or 2022.

Compensated Absences

Employees of the Arc earn annual leave per month depending on years of service. Annual leave is cumulative from one year to the next, up to a maximum of 240 hours.

Upon resignation or termination of employment for cause, an employee may be paid for the value of any accrued leave up to a maximum of 240 hours.

Non-Direct Response Advertising

The Arc expenses advertising costs as incurred. Advertising expense charged to operations totaled \$4,367 and \$3,845 for the years ended June 30, 2023 and 2022, respectively.

Income Taxes

The Arc qualifies for an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

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

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

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Leases

In February 2016, the FASB issued ASC Topic 842, *Leases*, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, *Leases*) and operating leases, with classification affecting the pattern of expense recognition in the income statement. The Arc adopted Topic 842 on July 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the Arc has applied Topic 842 to reporting periods beginning on July 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Arc's historical accounting treatment under ASC Topic 840, *Leases*.

The Arc elected the "package of practical expedients" under the transition guidance within Topic 842, in which the Arc does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases. The Arc has not elected to adopt the "hindsight" practical expedient, and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of ASC 842 on July 1, 2022.

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

The Arc made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or July 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Arc made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Leases (Continued)

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

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

Adoption of Topic 842 resulted in the recording no additional ROU assets and lease liabilities related to the Arc's operating leases at July 1, 2022. The adoption of the new lease standard did not materially impact changes in net assets or cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

Use of Estimates

The preparation of the 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.

Fair Value of Financial Instruments

Investments in equity securities with readily determinable fair values and investments in debt securities are measured at fair value in the statements of financial position.

The Arc follows the *Fair Value Measurement* Topic of the FASB ASC. Under this topic, fair value is defined as 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.

This topic establishes a fair value hierarchy for inputs used in measuring fair market value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

See independent accountant's review report.

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments (Continued)

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1 Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities as of the reporting date.
Investments whose values are based on quoted market prices in active markets, and are therefore classified as Level 1, include but are not limited to actively traded equities and certain money market securities.

- Level 2 Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, as of the reporting date.
Investments classified as Level 2 trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These generally include certain U.S. government and sovereign obligations, most government agency securities, investment grade corporate bonds, less liquid listed equities, state, municipal and principal obligations, and most physical commodities. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- Level 3 Valuations based on inputs that are unobservable and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement (see Note 4).

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied. When possible, expenses are first allocated by direct identification and then allocation if an expenditure benefits more than one program or function. The expenses that are allocated include salaries and wages, employee benefits, and payroll taxes which are allocated on the basis of estimates of time and effort.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 2. Due from Other Agencies, Net

Due from other agencies, net, at June 30, 2023 and 2022 consisted of the following:

	2023	2022
Due from Medicaid, Net	\$ 1,718,365	\$ 2,177,103
Due from Other Facilities, Net	57,774	92,605
Due from O.C.D.D.	20,760	12,728
Due from Louisiana Rehabilitation Services, Net	8,338	1,056
Total	\$ 1,805,237	\$ 2,283,492

Note 3. Investments

As more fully described in Note 1, investments are presented in the financial statements at fair value and are composed of the following as of June 30, 2023 and 2022:

	2023	2022
Money Market Funds and Certificates of Deposit	\$ 7,875,809	\$ 428,203
Equity Securities	1,515,380	3,859,421
Debt Securities	8,167,966	2,229,841
Total	\$ 17,559,155	\$ 6,517,465

Note 4. Fair Value Measurements

The Arc's assets recorded at fair value have been categorized based upon a fair value hierarchy with the *Fair Value Measurement* Topic of the FASB ASC. See Note 1 for a description of the Arc's policies and valuation techniques.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The valuation of the Arc's assets measured at fair value on a recurring basis at June 30, 2023 and 2022 is as follows:

June 30, 2023	Level 1	Level 2	Level 3	Net Balance
Money Market Funds				
and Certificates of Deposit	\$ 7,875,809	\$ -	\$ -	\$ 7,875,809
Corporate Fixed Income	989,863	64,645	-	1,054,508
Corporate Stocks and ETFs	1,204,067	-	-	1,204,067
Open End Mutual Funds	311,313	-	-	311,313
U.S. Government Obligations	6,225,002	888,456	-	7,113,458
Total	\$ 16,606,054	\$ 953,101	\$ -	\$ 17,559,155
<hr/>				
June 30, 2022	Level 1	Level 2	Level 3	Net Balance
Money Market Funds				
and Certificates of Deposit	\$ 428,203	\$ -	\$ -	\$ 428,203
Corporate Fixed Income	762,500	64,347	-	826,847
Corporate Stocks and ETFs	1,070,215	-	-	1,070,215
Open End Mutual Funds	2,789,206	-	-	2,789,206
U.S. Government Obligations	484,921	918,073	-	1,402,994
Total	\$ 5,535,045	\$ 982,420	\$ -	\$ 6,517,465

Note 5. In-Kind Contributions

For the years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the statements of activities included:

	2023	2022
Resale Items (Clothing and Household Goods)	\$ 1,091,391	\$ 1,038,415
Total	\$ 1,091,391	\$ 1,038,415

The Arc recognized contributed nonfinancial assets within revenue, gains, and other support, including among other things resale items (clothing and household goods). Unless otherwise noted, contributed non-financial assets did not have donor-imposed restrictions.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 5. In-Kind Contributions (Continued)

The contributed resale items were utilized in the resale stores. These items, which include clothing and household goods, were valued using estimated average U.S. prices of identical or similar products using pricing data of similar products under a "like-kind" methodology, considering the utility of the goods at the time of the contribution.

Note 6. Property and Equipment, Net

Property and equipment, net, at June 30, 2023 and 2022 consisted of the following:

June 30, 2023	Purchased		Total
	Assets Historical Cost	Donated Value	
Land	\$ 5,033,172	\$ -	\$ 5,033,172
Building and Improvements	16,542,954	-	16,542,954
Furniture and Equipment	973,090	42,300	1,015,390
Vehicles	1,141,711	1,643,558	2,785,269
Construction in Progress	173,806	-	173,806
	<u>23,864,733</u>	<u>1,685,858</u>	<u>25,550,591</u>
Less: Accumulated Depreciation	(5,565,005)	(1,621,218)	(7,186,223)
Net Property and Equipment	\$ 18,299,728	\$ 64,640	\$ 18,364,368

June 30, 2022	Purchased		Total
	Assets Historical Cost	Donated Value	
Land	\$ 4,869,328	\$ -	\$ 4,869,328
Building and Improvements	15,851,870	-	15,851,870
Furniture and Equipment	1,043,790	42,300	1,086,090
Vehicles	1,207,228	1,754,832	2,962,060
Construction in Progress	54,231	-	54,231
	<u>23,026,447</u>	<u>1,797,132</u>	<u>24,823,579</u>
Less: Accumulated Depreciation	(5,112,827)	(1,596,916)	(6,709,743)
Net Property and Equipment	\$ 17,913,620	\$ 200,216	\$ 18,113,836

Total depreciation expense for the years ended June 30, 2023 and 2022 was \$900,175 and \$900,035, respectively, of which \$135,576 and \$180,864, respectively, was related to donated assets.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 7. Detail of Program Revenue

Program revenue included the following for the years ended June 30, 2023 and 2022:

June 30, 2023	Total	Program		
		Employment Services	Community Services	Residential Services
Medicaid	\$ 25,944,042	\$ 4,085,524	\$ 12,019,253	\$ 9,839,265
Office of Citizens with Developmental Disabilities	241,420	241,020	400	-
Louisiana Rehab Services	5,250	5,250	-	-
Sales	1,208,120	1,206,360	-	1,760
Client Billings	965,745	14,580	5,158	946,007
Other Residential Facilities	103,260	103,260	-	-
Total Program Revenue	\$ 28,467,837	\$ 5,655,994	\$ 12,024,811	\$ 10,787,032

June 30, 2022	Total	Program		
		Employment Services	Community Services	Residential Services
Medicaid	\$ 23,818,860	\$ 3,238,343	\$ 11,995,105	\$ 8,585,412
Office of Citizens with Developmental Disabilities	192,127	170,016	22,111	-
Louisiana Rehab Services	10,250	10,250	-	-
Sales	1,190,988	1,189,898	-	1,090
Client Billings	936,357	11,280	-	925,077
Other Residential Facilities	126,576	126,576	-	-
Total Program Revenue	\$ 26,275,158	\$ 4,746,363	\$ 12,017,216	\$ 9,511,579

Note 8. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	2023	2022
Subject to the Passage of Time		
Donated Vehicles from LDOTD	\$ 64,640	\$ 200,216
Total Net Assets with Donor Restrictions	\$ 64,640	\$ 200,216

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 9. Fiduciary Funds

The Arc acts as a fiduciary agent for several of its resident clients. The balance of the reconciled checking accounts maintained by the Arc totaled \$98,693 and \$107,826 as of June 30, 2023 and 2022, respectively.

The Community Services Program, through its Independent Living Program, also acts as fiduciary agent for several of its clients. Checking accounts are maintained for each client, as applicable. Deposits include the client's social security benefits, the payroll checks, if employed, and miscellaneous gifts from family members. Disbursements consist of day-to-day living expenses and are based on the individual client's needs. The balance in these reconciled checking accounts at June 30, 2023 and 2022 was \$101,234 and \$81,530, respectively.

Note 10. Retirement Plan

The Arc offers a 401(k) retirement plan to all employees who have met the eligibility requirement of 1 year of service. Participants may elect to contribute portions of their eligible compensation, up to the maximum allowed by law. The Arc contributes a safe harbor matching contribution equal to 100% of the amount of the participant's salary deferrals, up to 4% of the participant's eligible compensation. In addition, the Arc may choose to make a discretionary matching contribution. Participants become fully vested in discretionary employer matching contributions after six years of service. The Arc's matching contributions for the years ended June 30, 2023 and 2022 were \$227,476 and \$224,186, respectively.

Note 11. Concentration of Credit Risk

The Arc periodically maintains cash and time deposit balances in excess of Federal Deposit Insurance Corporation (FDIC) coverage at its banks. A large majority of funds held on deposit by the Arc is transferred each night to a repurchase account and collateralized with direct U.S. Government obligations, U.S. Government Agency obligations, or collateralized mortgage obligations. As of June 30, 2023 and 2022, amounts over FDIC coverage totaled \$13,264,221 and \$19,641,164, respectively.

The Arc also receives a considerable amount of its total support and revenues from Medicaid for payments for services provided to clients. During the years ended June 30, 2023 and 2022, the Arc received \$25,944,042 and \$23,818,860, respectively, from Medicaid, which was 86% and 88% of total revenues, gains, and other support, respectively.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 12. Pending Litigation

The Arc is a part to various legal actions arising in the ordinary course of operations. In the opinion of management, all such matters are adequately covered by insurance and, if not so covered, are without merit or are of such kind, or involve such amounts as would not have a significant effect on the financial position or results of operations of the Arc if disposed of unfavorably.

Note 13. Related-Party Transactions

As of June 30, 2023 and 2022, the Arc held investments with a company managed by a member of the Board of Directors.

Note 14. Risks and Uncertainties

The Arc invests in various equity and debt securities, which are subject to potential loss arising from adverse changes in quoted market prices. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near-term and that such changes could materially affect investment amounts reported in the financial statements. The Arc's management continues to monitor its investment holdings as it has done in the past but has no immediate plans to change its investment portfolio.

Note 15. Commitments

At June 30, 2023, the Arc had an active construction project in the amount of \$1,313,000, of which \$104,866 had been completed. The Arc's remaining commitment on this contract is \$1,208,134.

Note 16. Liquidity

The Arc has \$16,410,538 of financial assets, consisting of cash and cash equivalents as well as accounts receivable and amounts due from other agencies, that are available within one year of the financial position dated June 30, 2023 for normal operating expenditures.

As part of its liquidity management plan, cash in excess of daily requirements is invested in certificates of deposit, equity securities, and debt securities, in the amount of \$17,559,155 that can be liquidated and made available.

See independent accountant's review report.

THE ARC OF ACADIANA, INC.

Notes to Financial Statements

Note 16. Liquidity (Continued)

The Arc regularly monitors liquidity required to meet its operating needs and other contractual commitments. Expenditures are generally met within 30 days, utilizing the financial resources the Arc has available. In addition, the Arc operates with a budget to monitor sources and uses of funds throughout the year.

Note 17. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, which was December 11, 2023, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

See independent accountant's review report.

SUPPLEMENTARY INFORMATION

THE ARC OF ACADIANA, INC.
Schedule of Compensation, Benefits, and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended June 30, 2023

None.

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2016, Act 462 of the 2016 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that receive public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

Agency Head

Kenny Patton, Chief Executive Officer

Purpose	Compensation and Benefits Funded by Use of Public Funds
Salary	\$-0-
Benefits - Insurance	\$-0-
Benefits - Retirement	\$-0-
Benefits - Other	\$-0-
Car Allowance	\$-0-
Vehicle Provided by Organization	\$-0-
Per Diem	\$-0-
Reimbursements	\$-0-
Travel	\$-0-
Registration Fees	\$-0-
Conference Travel	\$-0-
Housing	\$-0-
Unvouchered Expenses	\$-0-
Special Meals	\$-0-

See independent accountant's review report.

THE ARC OF ACADIANA, INC.
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2023

None.

See independent accountant's review report.



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AGREED-UPON PROCEDURES REPORT

The Arc of Acadiana, Inc.

Independent Accountant's Report
on Applying Agreed-Upon Procedures

For the Period of July 1, 2022 - June 30, 2023

To the Board of Directors of
The Arc of Acadiana, Inc. and the
Louisiana Legislative Auditor:

We have performed the procedures enumerated below on The Arc of Acadiana, Inc.'s (the Agency) compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended June 30, 2023, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Agency's management is responsible for its financial records and compliance with applicable laws and regulations.

The Agency has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the Agency's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended June 30, 2023. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. The report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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 Agency's management.

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

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

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

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.

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

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

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

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

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

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.

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

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 Agency's financial records; and report whether the amounts in the close-out reports agree with the Agency's financial records.

Results: As there were no programs closed out during the fiscal year, this procedure is not applicable.

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. Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meetings Law" available on the Legislative Auditor's website at [https://app.la.state.la.us/llala.nsf/BAADB2991272084786257AB8006EE827/\\$FILE/Open%20Meetings%20Law%20FAQ.pdf](https://app.la.state.la.us/llala.nsf/BAADB2991272084786257AB8006EE827/$FILE/Open%20Meetings%20Law%20FAQ.pdf), to determine whether a non-profit agency is subject to the open meetings law.

Results: As The Arc of Acadiana, Inc. is a non-profit entity that is not subject to the open meetings law, this procedure is not applicable.

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.

Results: The Agency stated there were no federal, state, or local government grants awarded during the fiscal year, only "fee for service" funds. As there were no grants awarded during the fiscal year, this procedure is not applicable.

State Audit Law

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

Results: No exceptions were found as a result of this procedure.

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).

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

Prior-Year Comments

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

Results: No exceptions were found as a result of this procedure.

We were engaged by the Agency to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Agency'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.

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

This report is intended solely to describe the scope of testing performed on the Agency'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 cursive script that reads "LaLoche".

A Professional Accounting Corporation

Covington, LA
December 11, 2023