

**GREATER OUACHITA COALITION**  
**PROVIDING AIDS RESOURCES AND EDUCATION**  
**Annual Financial Report**  
**WEST MONROE, LOUISIANA**  
**DECEMBER 31, 2016 AND 2015**

**GREATER OUACHITA COALITION**

**PROVIDING AIDS RESOURCES AND EDUCATION**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2016 AND 2015**

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**AUDITED FINANCIAL STATEMENTS**

# HEARD, McELROY, & VESTAL

LLC

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June 26, 2017

Board of Directors  
Greater Ouachita Coalition  
Providing AIDS Resources and Education

## **Independent Auditor's Report**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Greater Ouachita Coalition Providing AIDS Resources and Education (GO CARE), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years 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.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 audits 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 auditor's 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 the financial statements.

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

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## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GO CARE as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying supplementary information consisting of the schedule of compensation, reimbursements, benefits and other payments to agency head on page 14 is presented for purposes of additional analysis and is not a required part of the financial statements. 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*, 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 audits 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 26, 2017, on our consideration of GO CARE's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GO CARE's internal control over financial reporting and compliance.

*Heard, McElroy & Vestal, LLC*

Monroe, Louisiana

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2016 AND 2015

<u>A S S E T S</u>	<u>2016</u>	<u>2015</u>
<b><u>Current assets:</u></b>		
Cash and cash equivalents	693,982	641,840
Grants receivable	93,957	78,154
340B receivable	114,401	182,444
Medical services accounts receivable, net	21,277	5,798
Prepaid expenses	-	1,813
Due from related party	<u>11,707</u>	<u>18,386</u>
Total current assets	<u>935,324</u>	<u>928,435</u>
 Total assets	 <u>935,324</u>	 <u>928,435</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>Current liabilities:</u></b>		
Accounts payable	77,375	35,575
Deferred liability – 340B program	-	7,798
Accrued expenses	<u>11,200</u>	<u>11,331</u>
Total current liabilities	<u>88,575</u>	<u>54,784</u>
 <b><u>Net assets:</u></b>		
Unrestricted	<u>846,749</u>	<u>873,731</u>
 Total liabilities and net assets	 <u>935,324</u>	 <u>928,435</u>

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

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b><u>Support and revenue:</u></b>		
Federal Grant Funding	952,172	736,947
Nongovernmental Grant	10,000	7,750
Contributions	6,100	7,018
Rental income	4,200	4,200
340B revenue	1,299,042	390,539
Medical Service Income, net	128,627	23,197
Other	<u>6,113</u>	<u>40</u>
Total support and revenue	2,406,254	1,169,691
<b><u>Expenses:</u></b>		
Program services	1,964,057	1,085,924
Supporting services	<u>469,179</u>	<u>303,878</u>
Total expenses	2,433,236	1,389,802
<b><u>Change in net assets</u></b>	(26,982)	(220,111)
<b><u>Net assets-unrestricted at beginning of year</u></b>	<u>873,731</u>	<u>1,093,842</u>
<b><u>Net assets-unrestricted at end of year</u></b>	<u>846,749</u>	<u>873,731</u>

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

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Program Services</u>				<u>Medical Clinic &amp; 340B</u>
	<u>Part C Ryan White</u>	<u>Part B Ryan White</u>			
	<u>Medical Services</u>	<u>TBRA</u>	<u>STRUMU</u>		
Bank charges	-	-	-	-	-
Advertising	-	-	-	-	-
Continuing education	300	-	-	-	-
Cleaning	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Office expense	-	-	-	-	-
Professional fees	2,571	-	-	-	9,145
Postage	-	-	-	-	-
Telephone	-	-	-	-	-
Utilities	-	-	-	-	-
Direct assistance:					
Health support	77,357	-	-	-	5,547
HIV Clinic	132,702	-	-	-	-
Housing	-	-	33,995	6,038	-
Medicine	-	-	-	-	748,719
Transportation	-	98,469	-	-	6,938
Utilities	-	-	600	1,427	-
Other	-	50	-	-	89
Medical expense	-	-	-	-	52,744
Educational materials	-	-	-	-	-
Equipment rental	-	-	-	-	-
Equipment repairs	-	-	-	-	-
Insurance	-	-	-	-	-
Health insurance	11,915	24,850	-	-	-
Workman's compensation	1,666	2,104	-	-	-
Rent	1,810	-	-	-	-
Contract labor	34,413	-	-	-	133,012
Salaries and wages	296,465	80,153	-	-	-
Retirement	6,434	2,184	-	-	-
Payroll taxes	23,913	6,597	-	-	-
Travel	9,808	3,279	-	-	-
Special event	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses, year ended December 31, 2016	<u>599,054</u>	<u>217,986</u>	<u>34,595</u>	<u>7,465</u>	<u>956,194</u>

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



<u>Program Services</u>				<u>Supporting Services</u>	<u>Totals</u>
<u>Prevention and Wellness</u>		<u>Broadway</u>			
<u>OPH</u>	<u>GMWC</u>	<u>Cares</u>	<u>Total</u>	<u>Local</u>	<u>2016</u>
-	-	-	-	280	280
-	-	-	-	2,795	2,795
-	-	-	300	-	300
-	210	-	-	6,900	6,900
-	-	-	210	15,845	16,055
-	-	139	139	29,044	29,183
-	3,300	-	15,016	34,025	49,041
-	-	-	-	2,985	2,985
-	-	-	-	17,656	17,656
-	-	-	-	10,057	10,057
-	-	-	82,904	-	82,904
-	-	-	132,702	-	132,702
-	-	1,226	41,259	55	41,314
-	-	-	748,719	-	748,719
-	-	-	105,407	-	105,407
-	-	143	2,170	-	2,170
9,319	21,752	-	31,210	1,065	32,275
-	5,049	-	57,793	-	57,793
12,321	-	-	12,321	-	12,321
-	-	-	-	6,984	6,984
-	-	-	-	1,103	1,103
-	-	-	-	22,431	22,431
820	5,139	-	42,724	19,524	62,248
-	505	-	4,275	1,297	5,572
1,231	1,231	-	4,272	55,675	59,947
-	14,433	-	181,858	1,201	183,059
751	59,732	-	437,101	210,226	647,327
-	1,194	-	9,812	4,806	14,618
57	4,772	-	35,339	18,532	53,871
2,762	-	-	15,849	4,459	20,308
-	2,677	-	2,677	2,234	4,911
<u>27,261</u>	<u>119,994</u>	<u>1,508</u>	<u>1,964,057</u>	<u>469,179</u>	<u>2,433,236</u>

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Program Services</u>				<u>Medical Clinic &amp; 340B</u>
	<u>Part C Ryan White</u>	<u>Part B Ryan White</u>			
	<u>Medical Services</u>	<u>HOPWA/ PHP</u>	<u>STRUMU</u>		
Bank charges	-	-	-	-	-
Advertising	-	-	-	-	-
Continuing education	300	300	-	-	-
Cleaning	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Office expense	-	-	-	-	-
Professional fees	2,928	-	-	-	-
Postage	-	49	-	-	-
Telephone	-	1,024	-	-	-
Utilities	-	-	-	-	-
Direct assistance:					
Health support	59,485	-	-	-	-
HIV Clinic	54,005	-	-	-	-
Housing	-	-	25,359	4,225	-
Medicine	-	-	-	-	282,413
Transportation	-	88,349	-	-	-
Utilities	-	-	-	642	-
Other	-	-	381	-	67,597
Medical expense	-	-	-	-	-
Educational materials	-	-	-	-	-
Equipment rental	-	-	-	-	-
Equipment repairs	-	-	-	-	-
Insurance	-	-	-	-	-
Health insurance	5,205	23,901	-	-	-
Workman's compensation	2,602	2,930	-	-	-
Rent	4,223	-	-	-	-
Contract labor	23,753	-	-	-	-
Salaries and wages	179,050	131,663	-	-	-
Retirement	1,541	2,945	-	-	-
Payroll taxes	11,839	11,964	-	-	-
Travel	6,650	6,020	-	-	-
Training	-	-	-	-	-
Special event	-	-	-	-	-
<b>Total expenses, year ended</b>					
December 31, 2015	<u>351,581</u>	<u>269,145</u>	<u>25,740</u>	<u>4,867</u>	<u>350,010</u>

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

<u>Program Services</u>				<u>Supporting Services</u>	<u>Totals</u>
<u>OPH</u>	<u>GMWC</u>	<u>Broadway Cares</u>	<u>Total</u>	<u>Local</u>	<u>2015</u>
-	-	-	-	590	590
-	-	-	-	2,474	2,474
-	-	-	600	685	1,285
-	-	-	-	5,066	5,066
-	-	-	-	10,676	10,676
37	463	-	500	27,996	28,496
-	3,600	-	6,528	16,940	23,468
152	-	-	201	5,028	5,229
-	-	-	1,024	10,969	11,993
-	-	-	-	8,987	8,987
-	-	-	59,485	2,143	61,628
-	-	-	54,005	-	54,005
-	-	-	29,584	-	29,584
-	-	-	282,413	-	282,413
-	-	-	88,349	8,690	97,039
-	-	-	1,023	237	1,260
2,500	24,158	-	94,255	32	94,287
-	-	-	-	6,581	6,581
8,532	-	-	8,532	-	8,532
-	-	-	-	5,401	5,401
-	-	-	-	3,300	3,300
-	-	-	-	26,700	26,700
591	-	-	29,697	6,090	35,787
-	298	-	5,830	(5,140)	690
8,614	8,614	-	21,451	27,634	49,085
-	-	-	23,753	1,175	24,928
8,152	12,557	-	331,422	103,400	434,822
-	270	-	4,756	1,139	5,895
-	1,659	-	25,462	12,143	37,605
2,509	1,205	-	16,384	13,479	29,863
-	-	-	-	1,265	1,265
-	670	-	670	198	868
<u>31,087</u>	<u>53,494</u>	<u>-</u>	<u>1,085,924</u>	<u>303,878</u>	<u>1,389,802</u>

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b><u>Cash flows from operating activities:</u></b>		
Changes in net assets	(26,982)	(220,111)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
<i>(Increase) decrease in:</i>		
Grants receivable	(15,803)	(26,552)
340B receivable	68,043	(21,088)
Medical services accounts receivable, net	(15,479)	(5,798)
Prepaid expenses	1,813	9,093
Due from related party	6,679	(8,554)
<i>Increase (decrease) in:</i>		
Accounts payable	41,800	35,575
Deferred liability – 340B program	(7,798)	7,798
Accrued expenses	<u>(131)</u>	<u>5,992</u>
Net cash provided (used) by operating activities	52,142	(223,645)
<b><u>Cash and cash equivalents, beginning of year</u></b>	<u>641,840</u>	<u>865,485</u>
<b><u>Cash and cash equivalents, end of year</u></b>	<u>693,982</u>	<u>641,840</u>

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

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

1. **Description of Organization**

The purpose of the Greater Ouachita Coalition Providing AIDS Resources and Education (GO CARE) is to provide educational and direct services in order to stop the spread of HIV disease and assist HIV-infected individuals and their families.

2. **Summary of Significant Accounting Policies**

The accounting policies of GO CARE conform to generally accepted accounting principles as applicable to not-for-profit organizations. The more significant accounting policies of GO CARE are described below:

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 period. Actual results could differ from those estimates.

***Basis of Presentation***

The financial statements have been prepared on the accrual basis and, accordingly, reflect all significant receivables and payables.

FASB Accounting Standards Codification (ASC) Section 958-205 *Not-for-Profit Entities, Presentation of Financial Statements* establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three 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. At December 31, 2016 and 2015, GO CARE had no temporarily or permanently restricted net assets.

Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

***Programs***

Go Care's principal programs and primary funding sources are:

**Ryan White Part B HIV Care Grant Program**

**Supportive Services**

The purpose of this program is to develop or enhance access to a comprehensive continuum of high quality HIV care and treatment for low-income people living with HIV, with the goals of reducing HIV incidence, increasing access to care and optimizing health outcomes, and reducing HIV-related health disparities. Funding for this program is through the Louisiana Office of Public Health STD/HIV Program.

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

### *Programs – Continued*

#### Ryan White Part B HIV Care Grant Program – Continued

##### Housing Opportunities for Persons with AIDS

The purpose of this program is to provide transitional housing opportunities for low-income persons living with HIV disease in order to prevent homelessness. Funding for this program is through the Louisiana Office of Public Health STD/HIV Program.

##### HIV Prevention and Wellness Activities

The purposes of this program is to provide HIV testing, counseling and prevention materials within Region VIII and to provide expanded STD screening to gay, bisexual and transsexual men and community building within that population. Funding for this program is through the Louisiana Office of Public Health STD/HIV Program.

##### Ryan White Part C HIV Care Grant Program

The purpose of this program is to support outpatient HIV early intervention services and ambulatory care for uninsured/underinsured individuals through Early Intervention Services (EIS). This program allows grant recipients to enhance response to the HIV epidemic in their area through the provision of comprehensive primary HIV medical care and support services. Funding for this program is through the U.S. Department of Health and Human Services, Health Resources and Services Administration.

##### 340B Medication Program

GO CARE entered into a new agreement commencing June 1, 2015 with Reliant Healthcare to stock prescription medications for the purpose of distribution to GO CARE clientele. GO CARE purchases the medications from Morris and Dickson and Reliant holds and distributes them upon receipt of a valid doctor's prescription. The agreement allows GO CARE to receive reimbursement for the cost of the medication sold as well as 70% of the gross profit from the sale. The prior agreement in effect in 2014 had similar terms.

Additionally, in June 2015, GO CARE opened a medical clinic staffed by licensed medical personnel offering comprehensive health care services to persons with HIV including medical assessment and on-going care, mental health services and HIV counseling and testing.

##### *Cash and Cash Equivalents*

GO CARE considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

##### *Medical Services Accounts Receivable*

GO CARE grants credit without collateral to its patients, most of whom are local residents insured under third-party payer agreements. Receivables are stated at the full value of charges net of allowances provided for the estimated uncollectible accounts and for third-party contractual adjustments. GO CARE does not charge interest on past due accounts. Contractual adjustments are recorded on an estimated basis in the period the related services are rendered. Net medical services income is adjusted as required in subsequent periods based on final third-party payments.

##### *Grants Receivable*

Grants receivable represent amounts that have been expensed for grant purposes and are to be reimbursed in full by the grantor and have been promised over the next twelve months.

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

***Economic Dependency***

GO CARE receives over 40% of its support through federal government grant funding and another 54% from its 340B Drug Program. The continued yearly renewal of these grants and continuation of the 340B drug program are vital to the continuation of the entity.

***Compensated Absences***

Employees of GO CARE are entitled to paid vacations, sick days and other time off depending on job classification, length of service and other factors. GO CARE does not accumulate vacation or sick time. The estimate of the amount of compensation for future absences is immaterial and, accordingly, no liability has been recorded in the accompanying financial statements. GO CARE's policy is to recognize the costs of compensated absences when paid to employees.

***Advertising Costs***

Advertising costs are expensed as incurred. Advertising costs totaled \$2,795 and \$2,474 for the years ended December 31, 2016 and 2015, respectively.

3. **Financial Instruments**

***Fair Values***

GO CARE's financial instruments consist of cash (restricted and unrestricted), receivables, accounts payable and other current liabilities. The carrying values of these instruments approximate their fair values.

***Concentrations of Credit Risk***

GO CARE maintains its cash balances in one local financial institution. The bank statement balances total \$698,322 as of December 31, 2016. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to a total of \$250,000 for all accounts combined per institution. GO CARE's bank accounts are not fully covered by the FDIC.

***Collateralization Policy***

GO CARE does not require collateral to support financial instruments subject to credit risk unless otherwise disclosed.

4. **Income Taxes**

GO CARE is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code but must file an annual return with the Internal Revenue Service that contains information on its financial operations. GO CARE is required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it continues to qualify as a tax-exempt entity. It must also consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. In addition, as a tax-exempt entity, GO CARE must assess whether it has any tax positions associated with unrelated business income subject to income tax. GO CARE does not expect any of these tax positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in GO CARE's accounting records.

GO CARE is required to file U.S. federal Form 990 for informational purposes. Its federal income tax returns for the tax years 2013 and beyond remain subject to examination by the Internal Revenue Service.

5. **Lease Expense**

GO CARE is obligated under a lease agreement for the building in which it operates, which is subject to automatic renewal and the monthly payment is \$4,989. The lease was amended effective May 2015 to add additional office space and to extend the lease term to May 2017, subsequently renewed until May, 2020.. The rental expense was \$59,868 and \$49,085 for the years ended December 31, 2016 and 2015, respectively.

GO CARE leases two copy machines under operating leases expiring in 2020. The rental expense under these leases was \$936 and \$624 for the years ended December 31, 2016 and 2015, respectively.

Future minimum rental commitments are as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2017	60,804
2018	60,804
2019	60,804
2020	25,335
2021	-
	<u>207,747</u>

6. **Retirement Plan**

GO CARE has adopted a SIMPLE-IRA Plan for eligible employees. Currently eligible employees are those who are expected to receive at least \$5,000 in compensation in the current year. GO CARE matches employee contributions up to 3% of employee compensation. Employer contributions for the years ending December 31, 2016 and 2015 were \$14,618 and \$5,895, respectively.

7. **Related Party Transactions**

GO CARE shares a building and staff with Bayou Care Housing. GO CARE received \$4,200 for Bayou Care Housing's share of rent in 2016 and 2015. Bayou Care owed GO CARE \$11,707 and \$18,386 for net funds advanced at December 31, 2016 and 2015, respectively.

8. **Subsequent Events**

Subsequent events have been evaluated through June 26, 2017, which is the day the financial statements were available to be issued, noting the following subsequent event.

The building lease was renewed effective May 16, 2017 to May 16, 2020 at the current lease cost.



**SUPPLEMENTARY INFORMATION**

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>Department of Health and Human Services</u>			
Office of Public Health			
HIV Care Formula Grants	93.917	202,939	260,046
Office of Public Health			
HIV Prevention Activities – Health Department Based	93.940	70,421	27,261
Wellness Center Project	93.940	<u>66,929</u>	<u>119,994</u>
Total Pass Through Awards		340,289	407,301
<u>Department of Health and Human Services</u>			
Ryan White Part C Outpatient EIS Program	93.918	<u>611,883</u>	<u>599,054</u>
Total		<u>952,172</u>	<u>1,006,355</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2016

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Greater Ouachita Coalition Providing AIDS Resources and Education under programs of the federal government for the year ended December 31, 2016. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Greater Ouachita Coalition Providing AIDS Resources and Education, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Greater Ouachita Coalition Providing AIDS Resources and Education.

2. Summary of Significant Accounting Policies

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

3. Greater Ouachita Coalition Providing AIDS Resources and Education did not expend any federal awards in the form of noncash assistance during the fiscal year. No federal awards were passed through to subrecipients.

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS

AND OTHER PAYMENTS TO AGENCY HEAD

FOR THE YEAR ENDED DECEMBER 31, 2016

Agency Head: Richard Womack

Salary and expense account	59,603
Per diem allowance	-
Benefits-insurance	9,728
Benefits-retirement	-
Vehicle provided by government	-
Travel	-
Registration fees	440
Conference travel	2,523

**OTHER REPORTS**

# HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

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June 26, 2017

Board of Directors  
Greater Ouachita Coalition  
Providing AIDS Resources and Education

## **Independent Auditor's 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***

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 Greater Ouachita Coalition Providing AIDS Resources and Education (GO CARE), which comprise the statement of financial position as of December 31, 2016, 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 26, 2017.

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

In planning and performing our audit of the financial statements, we considered GO CARE's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GO CARE's internal control. Accordingly, we do not express an opinion on the effectiveness of GO CARE'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 GO CARE'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 over financial reporting 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

**HMV**

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether GO CARE'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2016-01.

## **GO CARE's Response to Findings**

GO CARE's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. GO CARE's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **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 GO CARE's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GO CARE's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Heard, McElroy & Vestal, LLC*

Monroe Louisiana

# HEARD, McELROY, & VESTAL

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June 26, 2017

The Board of Directors  
Greater Ouachita Coalition Providing AIDS Resources and Education

## **Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by The Uniform Guidance**

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

We have audited the Greater Ouachita Coalition Providing AIDS Resources and Education'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 Greater Ouachita Coalition Providing AIDS Resources and Education's major federal programs for the year ended December 31, 2016. Greater Ouachita Coalition Providing AIDS Resources and Education's major federal programs are identified in the summary of auditor's 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Greater Ouachita Coalition Providing AIDS Resources and Education's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit 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 Greater Ouachita Coalition Providing AIDS Resources and Education'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 of Greater Ouachita Coalition Providing AIDS Resources and Education's compliance.





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

In our opinion, Greater Ouachita Coalition Providing AIDS Resources and Education 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 its major federal programs for the year ended December 31, 2016.

## **Other Matters**

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

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

Management of Greater Ouachita Coalition Providing AIDS Resources and Education 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 Greater Ouachita Coalition Providing AIDS Resources and Education'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 Greater Ouachita Coalition Providing AIDS Resources and Education'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 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 material weaknesses or significant deficiencies. 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.

*Heard, McElroy & Vestal, LLC*

Monroe, Louisiana

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2016

**A. Summary of Audit Results**

1. The auditors' report expressed an unmodified opinion on the financial statements of the Greater Ouachita Coalition Providing AIDS Resources and Education (GO CARE).
2. No material weaknesses or significant deficiencies in internal control, relating to the audit of the financial statements are reported.
3. One instance of noncompliance was disclosed during the audit.
4. No material weaknesses in internal control over compliance, relating to the audit of a major federal award program, are reported .
5. The auditor's report on compliance for the major federal award programs for GO CARE expresses an unmodified opinion.
6. There were no audit findings relative to major federal award programs for GO CARE.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA No.</u>
Ryan White Part C Outpatient EIS Program	93.918

8. The threshold for distinguishing Types A and B programs was \$750,000.
9. GO CARE was determined not to be a low-risk auditee.

**B. Findings – Financial Statement Audit**

**2016-01 – Preparation of Forms 1099**

Finding:

During the audit, it was noted that not all appropriate vendors received a Form 1099 in accordance with filing requirements. Failure to properly file Forms 1099 could result in penalties.

Recommendation:

All vendors should be reviewed to determine applicability of 1099 requirements.

Response:

All vendors are now required to submit a completed Form W-9 prior to payment and complete vendor payments lists will be reviewed for applicability of 1099 requirements.

C. Findings and Questioned Costs – Major Federal Award Programs

None

GREATER OUACHITA COALITION  
PROVIDING AIDS RESOURCES AND EDUCATION

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2016

**Findings – Internal Control and Compliance Material to Federal Awards**

2015-1 -Time and Effort Support

Resolved in current year.

**Management Letter**

No management letter was issued.