

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

FINANCIAL STATEMENTS

**AS OF DECEMBER 31, 2020 AND 2019
AND FOR THE YEAR THEN ENDED**

**WITH
INDEPENDENT AUDITOR'S REPORT**



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

Annual Financial Statements
As of and for the Years Ended December 31, 2020 and 2019
With Supplementary Information Schedules

TABLE OF CONTENTS

	Page
Independent Auditor's Report -----	1-2
FINANCIAL STATEMENTS	
Combined Statements of Financial Position -----	3-4
Combined Statements of Activities -----	5-6
Combined Statements of Cash Flows-----	7-8
FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS	
General Operating Fund:	
Statements of Financial Position -----	9
Statements of Activities -----	10-11
Statements of Cash Flows -----	12
Endowment Fund:	
Statements of Financial Position -----	13
Statements of Activities -----	14
Statements of Cash Flows -----	15
Local Investment Fund:	
Statements of Financial Position -----	16
Statements of Activities -----	17
Statements of Cash Flows -----	18
General Fixed Assets:	
Statements of Financial Position -----	19
Statements of Activities -----	20
Statements of Cash Flows -----	21

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

Annual Financial Statements
As of and for the Years Ended December 31, 2020 and 2019
With Supplementary Information Schedules

TABLE OF CONTENTS

	Page
Notes to the Financial Statements -----	22-44
SUPPLEMENTARY INFORMATION	
Schedule of Expenditures of Federal Awards -----	45
Notes to Schedule of Expenditures of Federal Awards -----	46
General Operating Fund:	
Statements of Activities - Details	
Revenue Detail -----	47
Expenses Detail -----	48-56
General Fixed Assets	
Statements of Changes in General Fixed Assets -----	57
OTHER SUPPLEMENTARY INFORMATION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With <i>Governmental Auditing Standards</i> -----	58-59
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance -----	60-61
Schedule of Current Year Findings and Questioned Costs -----	62-63
Schedule of Prior Year Findings and Questioned Costs -----	64-65
Schedule of Compensation, Benefits, and Other Payments to Agency Head -----	66



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

209 N. Commerce St.
Natchez, MS 39120
P. O. Box 1027
Natchez, MS 39121
Tel: 601-442-7411
Fax: 601-442-8551

2120 Forsythe Ave.
Monroe, LA 71201
P. O. Box 4550
Monroe, LA 71211
Tel: 318-323-4481
Fax: 318-323-2188

www.silassimmons.com

INDEPENDENT AUDITOR'S REPORT

Organization of Directors of the
Louisiana United Methodist Children
and Family Services, Inc.
Ruston, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana United Methodist Children and Family Services, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities and cash flows for the years then ended as listed in the table of contents, 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Louisiana United Methodist Children and Family Services, Inc. as of December 31, 2020 and 2019, and the respective changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards on page 45 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. The schedules of additional details are presented for purposes of additional analysis and are 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 information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2021, on our consideration of Louisiana United Methodist Children and Family Services, Inc.'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Louisiana United Methodist Children and Family Services, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Louisiana United Methodist Children and Family Services, Inc.'s internal control over financial reporting and compliance.



Monroe, Louisiana
September 27, 2021

FINANCIAL STATEMENTS

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

COMBINED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

	General Operating Fund	Endowment Fund	Local Investment Fund	General Fixed Assets	Total All Funds 2020	Total All Funds 2019
Assets						
Current Assets						
Cash and cash equivalents	\$ 1,286,598	\$ 1,141,869	\$ 9,138,926	\$ -	\$ 11,567,393	\$ 13,651,227
Certificate of deposit	-	-	-	-	-	-
Accounts and cost reimbursement receivable (net)	3,388,849	-	432,139	-	3,820,988	4,491,037
Prepaid expenses and other	358,234	36,872	24,333	-	387,962	271,707
Promises to give - restricted (net)	-	-	237,926	-	237,926	149,758
Promises to give - unrestricted (net)	1,267	-	-	-	1,267	8,500
Inventory	56,679	-	-	-	56,679	47,606
Total current assets	<u>\$ 5,091,627</u>	<u>\$ 1,178,741</u>	<u>\$ 9,833,324</u>	<u>\$ -</u>	<u>\$ 16,072,215</u>	<u>\$ 18,619,835</u>
Long-Term Investments						
Stocks, bonds, and notes	\$ -	\$ 39,683,109	\$ 322,290	\$ -	\$ 40,005,399	\$ 37,267,840
Investment property	-	-	521,936	-	521,936	521,936
Trust funds - temporarily restricted	-	-	1,264,057	-	1,264,057	1,937,817
Cash surrender value life insurance	482,919	-	-	-	482,919	454,855
Total long-term investments	<u>\$ 482,919</u>	<u>\$ 39,683,109</u>	<u>\$ 2,108,283</u>	<u>\$ -</u>	<u>\$ 42,274,311</u>	<u>\$ 40,182,448</u>
Property and Equipment						
Land and improvements	\$ -	\$ -	\$ -	\$ 2,759,316	\$ 2,759,316	\$ 2,759,341
Property, plant, and equipment	-	-	-	28,143,883	28,143,883	26,452,727
Less: accumulated depreciation	-	-	-	(13,355,611)	(13,355,611)	(12,447,273)
Construction in progress	-	-	-	3,356,386	3,356,386	2,025,613
Total property and equipment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,903,974</u>	<u>\$ 20,903,974</u>	<u>\$ 18,790,408</u>
Other Assets						
Utility deposits	\$ -	\$ -	\$ 15,494	\$ -	\$ 15,494	\$ 11,794
Promises to give - restricted (net)	-	-	397,743	-	397,743	325,168
Total other assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 413,237</u>	<u>\$ -</u>	<u>\$ 413,237</u>	<u>\$ 336,962</u>
Total assets	<u>\$ 5,574,546</u>	<u>\$ 40,861,850</u>	<u>\$ 12,354,844</u>	<u>\$ 20,903,974</u>	<u>\$ 79,663,737</u>	<u>\$ 77,929,653</u>

† After interfund payable/receivables have been eliminated.

- continued -

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

COMBINED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

	General Operating Fund	Endowment Fund	Local Investment Fund	General Fixed Assets	Total All Funds 2020	Total All Funds 2019
Liabilities						
Current Liabilities						
Accounts payable	\$ 637,561	\$ -	\$ 55,889	\$ -	\$ 693,450	\$ 581,366
Accrued compensation	1,169,238	-	-	-	1,169,238	1,079,276
Other payables	24,333	-	7,144	-	-	- [†]
Total current liabilities	<u>\$ 1,831,132</u>	<u>\$ -</u>	<u>\$ 63,033</u>	<u>\$ -</u>	<u>\$ 1,862,688</u>	<u>\$ 1,660,642</u>
Other Liabilities						
Retirement payable	\$ 120,509	\$ -	\$ -	\$ -	\$ 120,509	\$ 136,743
Total other liabilities	<u>\$ 120,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,509</u>	<u>\$ 136,743</u>
Total liabilities	<u>\$ 1,951,641</u>	<u>\$ -</u>	<u>\$ 63,033</u>	<u>\$ -</u>	<u>\$ 1,983,197</u>	<u>\$ 1,797,385</u>
Net Assets						
Without donor restrictions	\$ 3,586,208	\$ 39,714,523	\$ 9,640,899	\$ 20,903,974	\$ 73,845,604	\$ 70,115,455
With donor restrictions	36,697	1,147,327	2,650,912	-	3,834,936	6,016,813
Total net assets	<u>\$ 3,622,905</u>	<u>\$ 40,861,850</u>	<u>\$ 12,291,811</u>	<u>\$ 20,903,974</u>	<u>\$ 77,680,540</u>	<u>\$ 76,132,268</u>
Total Liabilities and Net Assets	<u>\$ 5,574,546</u>	<u>\$ 40,861,850</u>	<u>\$ 12,354,844</u>	<u>\$ 20,903,974</u>	<u>\$ 79,663,737</u>	<u>\$ 77,929,653</u>

† After interfund payables/receivables have been eliminated.

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	General Operating Fund	Endowment Fund	Local Investment Fund	General Fixed Assets	Total All Funds 2020	Total All Funds 2019
Revenue and Support Without Donor Restrictions						
Contributions	\$ 1,047,198	\$ -	\$ 565,282	\$ -	\$ 1,612,480	\$ 1,100,033
Educational services	524,700	-	-	-	524,700	572,735
Children's home offerings	10,133	-	-	-	10,133	102,029
Wills and bequests	-	-	62,290	-	62,290	5,000
Child care support	17,265,565	-	-	-	17,265,565	20,234,874
Independent living services	522,621	-	-	-	522,621	518,309
Grants for child care	42,702	-	-	-	42,702	37,981
HRSA Cares Act Provider Relief	1,476,410	-	-	-	1,476,410	-
Family development services	128,208	-	-	-	128,208	161,601
Methodist foster care	4,797,236	-	-	-	4,797,236	4,107,237
Foster care support grant	220,420	-	-	-	220,420	23,507
Trust funds	247,599	-	56,168	-	303,767	280,605
Interest income	50,466	128,072	38,073	-	216,611	215,030
Dividend and pooled funds income	218	450,651	48,312	-	499,181	737,749
Miscellaneous	180,956	207	-	-	181,163	358,011
Net realized and unrealized gain (loss) on investments	-	4,216,621	(15,006)	(7,375)	4,194,240	6,001,995
Other investment income	-	-	938,424	-	938,424	2,294,249
	<u>\$ 26,514,432</u>	<u>\$ 4,795,551</u>	<u>\$ 1,693,543</u>	<u>\$ (7,375)</u>	<u>\$ 32,996,151</u>	<u>\$ 36,750,945</u>
Net Assets Released from Restrictions						
Restrictions satisfied by payments & time	<u>\$ 145,538</u>	<u>\$ 1,646,063</u>	<u>\$ 1,123,632</u>	<u>\$ -</u>	<u>\$ 2,915,233</u>	<u>\$ 239,424</u>
Expenses						
Administrative and general	\$ 5,397,774	\$ 106,788	\$ 103,247	\$ -	\$ 5,607,809	\$ 5,041,458
Plant operation and maintenance	1,011,922	-	-	-	1,011,922	986,262
Medical and nursing	2,467,953	-	-	-	2,467,953	2,471,412
Dietary	1,528,906	-	-	-	1,528,906	1,549,695
W. A. J. Lewis building	1,889,838	-	-	-	1,889,838	1,755,585
Scott building	1,947,151	-	-	-	1,947,151	2,017,226
Residential group care	5,498,843	-	-	-	5,498,843	5,546,623
Recreational - PRTF	333,892	-	-	-	333,892	244,338
Educational services	1,014,629	-	-	-	1,014,629	951,346
Pastoral care	198,710	-	-	-	198,710	212,892
Family counseling center	632,464	-	-	-	632,464	750,686
Clinical services	1,984,337	-	-	-	1,984,337	1,961,288
Life skills services	646,161	-	-	-	646,161	610,762
Methodist foster care	4,690,538	-	-	-	4,690,538	4,112,767
Foster care support	222,223	-	-	-	222,223	28,265
Outdoor wilderness learning center	629,500	-	-	-	629,500	720,558
Development and public relations	652,387	-	-	-	652,387	647,865
Family plus	30,223	-	-	-	30,223	108,740
Advocacy and community development	18,002	-	-	-	18,002	23,430
Provision for depreciation	-	-	-	1,175,746	1,175,746	1,066,962
Total expenses	<u>\$ 30,795,453</u>	<u>\$ 106,788</u>	<u>\$ 103,247</u>	<u>\$ 1,175,746</u>	<u>\$ 32,181,234</u>	<u>\$ 30,808,160</u>

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	General Operating Fund	Endowment Fund	Local Investment Fund	General Fixed Assets	Total All Funds 2020	Total All Funds 2019
Excess (Deficiency) of Revenue Over Expenses	\$ (4,135,483)	\$ 6,334,826	\$ 2,713,928	\$ (1,183,121)	\$ 3,730,150	\$ 6,182,209
Change in Net Assets from Operations	\$ (4,135,483)	\$ 6,334,826	\$ 2,713,928	\$ (1,183,121)	\$ 3,730,150	\$ 6,182,209
Other Changes in Net Assets Without Donor Restrictions						
Property and equipment acquisitions and transfers	(15,210)	-	(3,281,477)	3,296,687	-	-
Operating transfers	3,654,906	(3,300,969)	(353,937)	-	-	-
Change in Net Assets Without Donor Restrictions	\$ (495,787)	\$ 3,033,857	\$ (921,486)	\$ 2,113,566	\$ 3,730,150	\$ 6,182,209
Changes in Net Assets With Donor Restrictions						
Net realized and unrealized gain (loss) on investments	\$ -	\$ 113,098	\$ 22,051	\$ -	\$ 135,149	\$ 304,347
Pooled funds income	-	28,533	-	-	28,533	36,722
Contributions, wills and bequests, and grants (net of uncollectible)	138,551	-	431,122	-	569,673	2,210,919
Net assets released from restrictions	(145,538)	(1,646,063)	(1,123,632)	-	(2,915,233)	(239,424)
Transfers (to) from unrestricted net assets	-	60,500	(60,500)	-	-	-
Change in Net Assets with Donor Restrictions	\$ (6,987)	\$ (1,443,932)	\$ (730,959)	\$ -	\$ (2,181,878)	\$ 2,312,564
Increase (Decrease) in Net Assets	\$ (502,774)	\$ 1,589,925	\$ (1,652,445)	\$ 2,113,566	\$ 1,548,272	\$ 8,494,773
Net Assets - Beginning of Year	4,125,679	39,271,925	13,944,256	18,790,408	76,132,268	67,637,495
Net Assets - End of Year	\$ 3,622,905	\$ 40,861,850	\$ 12,291,811	\$ 20,903,974	\$ 77,680,540	\$ 76,132,268

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	General Operating Fund	Endowment Fund	Local Investment Fund	General Fixed Assets	Total All Funds 2020	Total All Funds 2019
Cash Flows (to) from Operating Activities						
Cash received from services	\$ 25,466,840	\$ -	\$ -	\$ -	\$ 25,466,840	\$ 25,176,610
Cash received from contributions and grants	1,058,974	-	903,126	-	1,962,100	2,950,427
Cash received from trust funds	247,599	-	766,136	-	1,013,735	265,272
Interest received	50,466	131,671	39,579	-	221,716	217,812
Dividends and pooled income	218	479,391	48,312	-	527,921	777,353
Receipts from investment properties	-	-	1,286,079	-	1,286,079	3,003,357
Miscellaneous receipts	260,142	-	-	-	260,142	290,310
Cash paid to employees, suppliers, and deposits	(30,714,858)	(106,788)	(323,105)	-	(31,144,751)	(30,217,827)
Cash received from (to) other funds	3,654,906	(3,300,969)	(353,937)	-	-	-
Net cash provided by (used for) investing activities	<u>\$ 24,287</u>	<u>\$ (2,796,695)</u>	<u>\$ 2,366,190</u>	<u>\$ -</u>	<u>\$ (406,218)</u>	<u>\$ 2,463,314</u>
Cash Flows (to) from Investing Activities						
Proceeds from sale of investments	\$ -	\$ 4,668,972	\$ 35,344	\$ -	\$ 4,704,316	\$ 6,281,058
Purchase of investments and CDs	-	(3,085,245)	-	-	(3,085,245)	(5,581,224)
Purchase of property and equipment	(15,210)	-	(3,282,477)	-	(3,297,687)	(2,052,523)
Endowment transfers	-	60,500	(60,500)	-	-	-
Proceeds from asset dispositions	-	-	1,000	-	1,000	3,450
Net cash provided by (used for) investing activities	<u>\$ (15,210)</u>	<u>\$ 1,644,227</u>	<u>\$ (3,306,633)</u>	<u>\$ -</u>	<u>\$ (1,677,616)</u>	<u>\$ (1,349,239)</u>
Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 9,077</u>	<u>\$ (1,152,468)</u>	<u>\$ (940,443)</u>	<u>\$ -</u>	<u>\$ (2,083,834)</u>	<u>\$ 1,114,075</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,277,521</u>	<u>2,294,337</u>	<u>10,079,369</u>	<u>-</u>	<u>13,651,227</u>	<u>12,537,152</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 1,286,598</u></u>	<u><u>\$ 1,141,869</u></u>	<u><u>\$ 9,138,926</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,567,393</u></u>	<u><u>\$ 13,651,227</u></u>

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	General Operating Fund	Endowment Fund	Local Investment Fund	General Fixed Assets	Total All Funds 2020	Total All Funds 2019
Reconciliation of Changes in Net Assets to Cash Provided by Operating Activities						
Change in net assets	\$ (502,774)	\$ 1,589,925	\$ (1,652,445)	\$ 2,113,566	\$ 1,548,272	\$ 8,494,774
Adjustments to reconcile changes in net assets to net cash provided by:						
Depreciation and amortization	-	-	-	1,175,746	1,175,746	1,066,962
Uncollectible pledges/receivables	-	-	38,742	-	38,742	31,167
(Gain) loss on abandoned or sold assets	-	-	(1,000)	7,375	6,375	7,920
Decrease (increase) in receivables and promises to give	425,054	3,599	66,210	-	494,863	(746,510)
Decrease (increase) in prepaid expenses, deposits, and other	(147,918)	-	(3,700)	-	(151,618)	(59,536)
Decrease (increase) in inventory	(9,073)	-	-	-	(9,073)	4,110
Increase (decrease) in payables and accrued expenses	245,744	-	(32,701)	-	213,043	63,872
Realized and unrealized loss (gain) on investments	-	(4,329,719)	644,607	-	(3,685,112)	(6,317,713)
Purchase of property and equipment	15,210	-	3,282,477	(3,296,687)	1,000	-
Transfers to (from) other funds	-	(60,500)	60,500	-	-	-
Noncash bequest to assets for sale or real estate	(1,956)	-	(36,500)	-	(38,456)	(81,732)
Net Cash Provided by (Used for) Operating Activities	<u>\$ 24,287</u>	<u>\$ (2,796,695)</u>	<u>\$ 2,366,190</u>	<u>\$ -</u>	<u>\$ (406,218)</u>	<u>\$ 2,463,314</u>
Interest Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Income Taxes Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,500</u>	<u>\$ -</u>	<u>\$ 4,500</u>	<u>\$ 3,500</u>

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

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND
STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2020 AND 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,286,598	\$ 1,277,521
Accounts and cost reimbursement receivables (net of \$1,071,132 and \$882,266 allowance for 2020 and 2019, respectively)	3,388,849	3,813,814
Unconditional promises to give (net of \$0 and \$0 allowance for 2020 and 2019, respectively)	1,267	8,500
Due from Local Investment Fund	7,144	-
Inventory	56,679	47,606
Prepaid expenses and other	351,090	231,236
Total current assets	\$ 5,091,627	\$ 5,378,677
Long-Term Investments		
Cash surrender value life insurance	\$ 482,919	\$ 454,855
Total long-term investments	\$ 482,919	\$ 454,855
Total assets	\$ 5,574,546	\$ 5,833,532
Liabilities		
Current Liabilities		
Accounts payable	\$ 637,561	\$ 485,632
Accrued compensation	1,169,238	1,079,276
Due to Local Investment Fund	24,333	6,202
Total current liabilities	\$ 1,831,132	\$ 1,571,110
Other Liabilities		
Retirement payable	\$ 120,509	\$ 136,743
Total other liabilities	\$ 120,509	\$ 136,743
Total liabilities	\$ 1,951,641	\$ 1,707,854
Net Assets		
Without Donor Restrictions		
Undesignated	\$ 3,586,208	\$ 4,081,995
Designated	-	-
Total net assets without donor restrictions	\$ 3,586,208	\$ 4,081,995
With donor restrictions	36,697	43,684
Total net assets	\$ 3,622,905	\$ 4,125,679
Total liabilities and net assets	\$ 5,574,546	\$ 5,833,533

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Revenue and Support Without Donor Restrictions		
Contributions	\$ 1,047,198	\$ 1,083,128
Children's home offerings	10,133	102,029
Special events	60,378	70,936
Child care support	17,083,764	20,010,662
Independent living services	522,621	518,309
Federal subgrant for child care	42,702	37,981
Federal HRSA Cares Act Provider Relief	1,476,410	-
Family plus program	21,395	59,199
Family development services	128,208	161,601
Medical and nursing	160,406	165,013
Methodist foster care	4,797,236	4,107,237
Foster care support grant	220,420	23,507
Trust funds	247,599	228,165
Interest income	50,466	41,616
Dividend income	218	277
Outdoor wilderness learning center	67,623	247,325
Educational services	524,700	572,735
Miscellaneous income	52,955	36,931
	\$ 26,514,432	\$ 27,466,651
Net Assets Released from Restrictions		
Restrictions satisfied by payments	\$ 145,538	\$ 171,913
Expenses		
Administrative and general	\$ 5,397,774	\$ 4,687,602
Plant operation and maintenance	1,011,922	986,262
Medical and nursing	2,467,953	2,471,412
Dietary	1,528,906	1,549,695
W. A. J. Lewis building	1,889,838	1,755,585
Scott building	1,947,151	2,017,226
Residential group care	5,498,843	5,546,623
Recreational - PRTF	333,892	244,338
Educational services	1,014,629	951,346
Pastoral care	198,710	212,892
Family counseling center	632,464	750,685
Clinical services	1,984,337	1,961,288
Life skills services	646,161	610,762
Methodist foster care	4,690,538	4,112,767
Foster Care Support	222,223	28,265
Outdoor wilderness learning center & Equine Program	629,500	720,558
Development and public relations	652,387	647,865
Capital expenditures	15,210	46,446
Family plus	30,223	108,740
Advocacy and community development	18,002	23,430
Total expenses	\$ 30,810,663	\$ 29,433,787

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

GENERAL OPERATING FUND
STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Excess (Deficiency) of Revenue Over Expenses	<u>\$ (4,150,693)</u>	<u>\$ (1,795,223)</u>
Net Assets Transferred From Other Funds	<u>\$ 3,654,906</u>	<u>\$ 1,666,609</u>
Change in Net Assets Without Donor Restrictions	<u>\$ (495,787)</u>	<u>\$ (128,614)</u>
Changes in Net Assets With Donor Restrictions		
Income from Lincoln Health Foundation - grant	\$ 138,551	\$ 174,100
Net assets released from restrictions	<u>(145,538)</u>	<u>(171,913)</u>
Change in Net Assets with Donor Restrictions	<u>\$ (6,987)</u>	<u>\$ 2,187</u>
Increase (Decrease) in Net Assets	<u>\$ (502,774)</u>	<u>\$ (126,427)</u>
Net Assets - Beginning of Year	<u>4,125,679</u>	<u>4,252,106</u>
Net Assets - End of Year	<u><u>\$ 3,622,905</u></u>	<u><u>\$ 4,125,679</u></u>

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND
STATEMENTS OF CASH FLOWS**

AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
Cash Flows (To) From Operating Activities		
Cash received from services	\$ 25,466,840	\$ 25,176,610
Cash received from contributions	1,058,974	1,234,976
Income from trust funds	247,599	212,832
Interest received	50,466	44,656
Dividends received	218	277
Miscellaneous receipts	260,142	290,310
Transfer from other funds	3,654,906	1,666,609
Cash paid to employees and suppliers	(30,714,858)	(29,277,468)
Net cash provided by (used for) operating activities	\$ 24,287	\$ (651,198)
Cash Flows (To) From Investing Activities		
Purchase of property and equipment	\$ (15,210)	\$ (46,446)
Net cash provided by (used for) investing activities	\$ (15,210)	\$ (46,446)
Increase (Decrease) in Cash and Cash Equivalents	\$ 9,077	\$ (697,644)
Cash and Cash Equivalents - Beginning of Year	1,277,521	1,975,165
Cash and Cash Equivalents - End of Year	\$ 1,286,598	\$ 1,277,521
Reconciliation of Changes in Net Assets to Cash Provided by Operating Activities		
Change in net assets	\$ (502,774)	\$ (126,427)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Noncash donations	(1,956)	(12,563)
(Increase) decrease in accounts receivable and pledges	425,054	(719,543)
(Increase) decrease in prepaid expenses	(119,854)	(51,423)
(Increase) decrease in inventory	(9,073)	4,110
(Increase) decrease in cash surrender value of life insurance	(28,064)	(11,290)
Increase (decrease) in accounts payable	172,016	169,625
Increase (decrease) in accrued wages	89,962	65,204
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in retirement payable	(16,234)	(15,337)
Purchase of property and equipment	15,210	46,446
Net Cash Provided by (Used for) Operating Activities	\$ 24,287	\$ (651,198)
Interest Paid	\$ -	\$ -
Income Taxes Paid	\$ -	\$ -

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**ENDOWMENT FUND
STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2020 AND 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,141,869	\$ 2,294,337
Accrued interest and dividends	36,872	40,471
Total current assets	\$ 1,178,741	\$ 2,334,808
 Long-Term Investments		
Investments - Depository Trust Company - custodian	\$ 19,366,474	\$ 18,188,836
Investments - Merrill Lynch - custodian	20,316,635	18,748,281
Total long-term investments	\$ 39,683,109	\$ 36,937,117
 Total assets	\$ 40,861,850	\$ 39,271,925
 Net Assets		
Without Donor Restrictions		
Undesignated	\$ 38,059,617	\$ 35,025,761
Designated	1,654,906	1,654,905
Total net assets without donor restrictions	\$ 39,714,523	\$ 36,680,666
 With donor restrictions	1,147,327	2,591,259
Total net assets	\$ 40,861,850	\$ 39,271,925

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

ENDOWMENT FUND
STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Revenue and Support Without Donor Restrictions		
Dividend income	\$ 239,437	\$ 291,678
Interest income	128,072	116,922
Settlement income and other	207	2,818
Income from pooled funds	211,214	340,621
Realized and unrealized gain (loss) on investments	4,216,621	5,785,769
Total revenue and support without donor restrictions	\$ 4,795,551	\$ 6,537,808
Net Assets Released from Restrictions		
Restrictions satisfied by payments	\$ 1,646,063	\$ 11,886
Expenses		
Management and custody fees	\$ 106,788	\$ 99,359
Total expenses	\$ 106,788	\$ 99,359
Excess (Deficiency) of Revenue Over Expenses	\$ 6,334,826	\$ 6,450,335
Other Changes in Net Assets Without Donor Restrictions		
Transfer (to) from Operating Fund	\$ (1,654,906)	\$ (1,666,609)
Transfer (to) from Local Investment Fund	(1,646,063)	-
Change in Net Assets Without Donor Restrictions	\$ 3,033,857	\$ 4,783,726
Changes in Net Assets With Donor Restrictions		
Net realized and unrealized gain (loss) on investments	\$ 113,098	\$ 120,423
Income from pooled funds	28,533	36,722
Net assets released from restrictions	(1,646,063)	(11,886)
Transfer (to) from Local Investment Fund	60,500	1,266,862
Change in Net Assets With Donor Restrictions	\$ (1,443,932)	\$ 1,412,121
Change in Net Assets	\$ 1,589,925	\$ 6,195,847
Net Assets - Beginning of Year	39,271,925	33,076,078
Net Assets - End of Year	\$ 40,861,850	\$ 39,271,925

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

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

ENDOWMENT FUND
STATEMENTS OF CASH FLOWS

AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
Cash Flows (To) From Operating Activities		
Interest received	\$ 131,671	\$ 115,977
Dividends and settlements received	239,644	294,496
Income from pooled funds	239,747	377,342
Transfers to operating fund	(1,654,906)	(1,666,609)
Transfers to local investment fund	(1,646,063)	-
Cash paid to suppliers of services and taxes	(106,788)	(99,359)
	<u>\$ (2,796,695)</u>	<u>\$ (978,153)</u>
Cash Flows (To) From Investing Activities		
Proceeds from sale of securities	\$ 4,668,972	\$ 6,223,356
Transfer from local investment fund	60,500	1,266,862
Purchase of securities	(3,085,245)	(5,581,224)
	<u>\$ 1,644,227</u>	<u>\$ 1,908,994</u>
Increase (Decrease) in Cash and Cash Equivalents	\$ (1,152,468)	\$ 930,841
Cash and Cash Equivalents - Beginning of Year	<u>2,294,337</u>	<u>1,363,496</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,141,869</u>	<u>\$ 2,294,337</u>
Reconciliation of Changes in Net Assets to Cash Provided by Operating Activities		
Change in net assets	\$ 1,589,925	\$ 6,195,847
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
(Increase) decrease in receivables	3,599	(945)
Net realized and unrealized (gain) loss on investments	(4,329,719)	(5,906,193)
Transfers to (from) other funds	(60,500)	(1,266,862)
	<u>\$ (2,796,695)</u>	<u>\$ (978,153)</u>
Interest Paid	<u>\$ -</u>	<u>\$ -</u>
Income Taxes Paid	<u>\$ -</u>	<u>\$ -</u>

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**LOCAL INVESTMENT FUND
STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2020 AND 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 9,138,926	\$ 10,079,369
Accounts receivable	432,139	677,223
Accounts receivable - promises to give (current portion)	237,926	149,758
Due from Operations Fund	24,333	6,202
Prepaid expenses	-	-
Total current assets	\$ 9,833,324	\$ 10,912,552
Long-Term Investments		
Stocks and bonds	\$ 322,290	\$ 330,722
Louise Briley Leake Trust Fund - temporarily restricted	3,696	694,475
Hattye Jordan Trust Fund - temporarily restricted	277,490	269,837
Barbara Williamson Trust Fund - temporarily restricted	839,236	828,772
The Pomeroy Trust, LLC - temporarily restricted	135,486	135,486
R. D. Webb Property - temporarily restricted	8,149	9,248
Loraine Howard Property	462,035	462,035
R. D. Shelley Property	801	801
L. V. Lindingham Property	100	100
A. P. White Property	59,000	59,000
Total long-term investments	\$ 2,108,283	\$ 2,790,476
Other Assets		
Utility and rent deposits	\$ 15,494	\$ 11,794
Accounts receivable - promises to give (net of \$90,539 and \$65,578 allowance for 2020 and 2019, respectively)	397,743	325,168
Total other assets	\$ 413,237	\$ 336,962
Total assets	\$ 12,354,844	\$ 14,039,991
Liabilities		
Current Liabilities		
Accounts payable	\$ 55,889	\$ 95,734
Due to Operations Fund	7,144	-
Total current liabilities	\$ 63,033	\$ 95,734
Net Assets		
Without Donor Restrictions		
Undesignated	\$ 9,521,641	\$ 10,068,879
Designated:		
Capital improvements	\$ 119,258	\$ 493,507
Total designated	\$ 119,258	\$ 493,507
Total net assets without donor restrictions	\$ 9,640,899	\$ 10,562,386
With Donor Restrictions	2,650,912	3,381,870
Total net assets	\$ 12,291,811	\$ 13,944,256
Total liabilities and net assets	\$ 12,354,844	\$ 14,039,990

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**LOCAL INVESTMENT FUND
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Revenue and Support Without Donor Restrictions		
Loraine Howard Property (oil and gas, timber, rents)	\$ 993,509	\$ 2,567,964
R. D. Webb Property (oil and gas)	67,669	59,780
Shelley Property (oil and gas)	34,510	55,765
Thurman Property (oil and gas)	29,248	40,838
Other investment property	646	1,583
Trust funds	56,168	52,440
Wills and bequests	62,290	5,000
Contributions and memorials	565,282	16,905
Dividend income	19,832	22,792
Interest income	38,073	56,492
Income from pooled funds	28,480	82,381
Net realized and unrealized gain (loss) in investments	(15,006)	227,596
Total revenue and support without donor restrictions	\$ 1,880,701	\$ 3,189,536
Net Assets Released from Restrictions		
Restrictions satisfied by payments	\$ 413,664	\$ 55,625
Restrictions satisfied by time	709,368	-
Total net assets released from restrictions	\$ 1,123,632	\$ 55,625
Expenses		
Administrative and general	\$ 99,747	\$ 249,997
Oil and gas expenditures	187,158	431,680
Capital expenditures	3,282,477	2,006,077
Income tax	3,500	4,500
Total expenses	\$ 3,572,882	\$ 2,692,254
Excess (Deficiency) of Revenue Over Expenses	\$ (568,549)	\$ 552,907
Other Changes in Net Assets Without Donor Restrictions		
Transfer (to) from General Fund (net)	\$ (2,000,000)	\$ -
Transfer (to) from Endowment Fund (net)	1,646,063	-
Transfer (to) from Fixed Assets Fund (net)	1,000	3,450
Total other changes in net assets without donor restrictions	\$ (352,937)	\$ 3,450
Change in Net Assets Without Donor Restrictions	\$ (921,486)	\$ 556,357
Changes in Net Assets With Donor Restrictions		
Net realized and unrealized gain (loss) in investments	\$ 22,051	\$ 183,924
Contributions and grants	455,705	1,466,894
Wills and bequests	14,159	601,092
Bad debt expense	(38,742)	(31,167)
Net assets released from restrictions	(1,123,632)	(55,625)
Transfer (to) from Endowment Fund	(60,500)	(1,266,862)
Total changes in net assets with donor restrictions	\$ (730,959)	\$ 898,256
Change in Net Assets With Donor Restrictions	\$ (730,959)	\$ 898,256
Increase (Decrease) in Net Assets	\$ (1,652,445)	\$ 1,454,613
Net Assets - Beginning of Year	13,944,256	12,489,643
Net Assets - End of Year	\$ 12,291,811	\$ 13,944,256

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**LOCAL INVESTMENT FUND
STATEMENTS OF CASH FLOWS**

AS OF DECEMBER 31, 2020 AND 2019

	2020	2019
Cash Flows (To) From Operating Activities		
Cash received from contributions, wills, and bequests	\$ 903,126	\$ 1,715,451
Cash received from trust funds	766,136	52,440
Interest received	39,579	57,179
Dividends and pooled funds	48,312	105,238
Receipts from investment properties	1,286,079	3,003,357
Transfers to operating fund	(2,000,000)	-
Transfers from endowment fund	1,646,063	-
Cash paid to suppliers and utility deposits	(323,105)	(841,000)
Net cash provided by (used for) operating activities	\$ 2,366,190	\$ 4,092,665
Cash Flows (To) From Investing Activities		
Transfer (to) from Endowment Fund (net)	\$ (60,500)	\$ (1,266,862)
Capital purchases for Plant Fund (net)	(3,282,477)	(2,006,077)
Proceeds from disposition of assets (net)	1,000	3,450
Proceeds from sale of stock	35,344	57,702
Net cash provided by (used for) investing activities	\$ (3,306,633)	\$ (3,211,787)
Increase (Decrease) in Cash and Cash Equivalents	\$ (940,443)	\$ 880,878
Cash and Cash Equivalents - Beginning of Year	10,079,369	9,198,491
Cash and Cash Equivalents - End of Year	\$ 9,138,926	\$ 10,079,369
Reconciliation of Changes in Net Assets to Cash Provided by Operating Activities		
Change in net assets	\$ (1,652,445)	\$ 1,454,613
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
(Gain) loss on sale of assets	(1,000)	(3,450)
Allowance for uncollected promises	38,742	31,167
Noncash donation of stock, building, and equipment	(36,500)	(69,169)
(Increase) decrease in receivables and promises to give	66,210	(26,022)
(Increase) decrease in prepaid expense and other	(3,700)	3,177
Realized and unrealized (gain) loss on investments	644,607	(411,520)
Transfers to (from) other funds	60,500	1,266,862
Purchase of property and equipment (net)	3,282,477	2,002,627
Increase (decrease) in accounts payable	(32,701)	(155,620)
Net Cash Provided by (Used for) Operating Activities	\$ 2,366,190	\$ 4,092,665
Interest Paid	\$ -	\$ -
Income Taxes Paid	\$ 4,500	\$ 1,500

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL FIXED ASSETS
STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2020 AND 2019

	2020	2019
Assets		
Property and Equipment		
Autos, trucks, and buses	\$ 1,378,977	\$ 1,402,335
Tractors and ground equipment	591,687	354,947
Furniture, fixtures, and equipment	1,719,605	1,902,926
Building and improvements	24,453,614	22,792,519
Land and land improvements	2,759,316	2,759,341
	\$ 30,903,199	\$ 29,212,068
Less: accumulated depreciation	(13,355,611)	(12,447,273)
	\$ 17,547,588	\$ 16,764,795
Construction in progress	3,356,386	2,025,613
	\$ 20,903,974	\$ 18,790,408
	\$ 20,903,974	\$ 18,790,408
Net Assets		
Without Donor Restrictions		
Undesignated	\$ 20,903,974	\$ 18,790,408
Designated	-	-
Total net assets without donor restrictions	\$ 20,903,974	\$ 18,790,408
With donor restrictions	-	-
	\$ 20,903,974	\$ 18,790,408
	\$ 20,903,974	\$ 18,790,408

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL FIXED ASSETS
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Expenses		
Provision for depreciation	\$ (1,175,746)	\$ (1,066,962)
Gain (loss) on assets abandoned or sold	(7,375)	(11,370)
	\$ (1,183,121)	\$ (1,078,332)
Excess (Deficiency) of Revenue Over Expenses		
Acquisition of Property and Equipment Without Donor Restrictions		
Transfers from other funds	3,296,687	2,049,073
	\$ 2,113,566	\$ 970,741
Change in Net Assets Without Donor Restrictions		
Net Assets - Beginning of Year	18,790,408	17,819,667
Net Assets - End of Year	\$ 20,903,974	\$ 18,790,408

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL FIXED ASSETS
STATEMENTS OF CASH FLOWS**

AS OF DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows (To) From Operating Activities		
Cash transfers (to) from other funds	\$ -	\$ -
Net cash provided by (used for) operating activities	<u>\$ -</u>	<u>\$ -</u>
Cash Flows (To) From Investing Activities		
Proceeds from sale of assets	\$ -	\$ -
Net cash provided by (used for) investing activities	<u>\$ -</u>	<u>\$ -</u>
Cash and Cash Equivalents - Beginning of Year	<u>\$ -</u>	<u>\$ -</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of Changes in Net Assets to Cash Provided by Operating Activities		
Change in net assets	\$ 2,113,566	\$ 970,741
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	1,175,746	1,066,962
(Gain) loss on assets abandoned or sold	7,375	11,370
Transfers (from) to other funds	<u>(3,296,687)</u>	<u>(2,049,073)</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Interest Paid	<u>\$ -</u>	<u>\$ -</u>
Income Taxes Paid	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Organization and Purpose**

Louisiana United Methodist Children and Family Services, Inc. (the Organization) is a Louisiana nonprofit corporation owned by the Louisiana Annual Conference of the United Methodist Church. All powers and authority of the Organization shall be vested in and exercised by a Board of Directors and the property, business, and affairs of the Organization shall be managed under the direction of the Board of Directors. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The Organization (sometimes doing business as “The Louisiana Methodist Children’s Home”) seeks to minister to the diverse needs of Louisiana’s children and families experiencing stress, brokenness, and other special circumstances. The Organization was formed for educational, eleemosynary, literary, scientific, and charitable objectives and purposes. The Organization develops, administers, and operates various residential and outpatient programs. These programs provide valiative, therapeutic, educational, recreational, and social services for the youth and their families.

The Lorraine Howard Educational Center (a.k.a. Howard School), located on the grounds of Louisiana Methodist Children’s Home in Ruston, is a Louisiana Department of Education (LDOE) “Top Gains” alternative school. Fully licensed by LDOE as an alternative school, Howard School provides quality educational services to residents of the Organization and to select students from Lincoln Parish at the request of the Lincoln Parish School Board.

In 2016, Bayou Health changed to Healthy Louisiana. Healthy Louisiana is managed by five independent managed care organizations which are contracted by Louisiana Department of Health. Louisiana United Methodist Children and Family Services, Inc. provides psychiatric residential treatment facility services under network provider agreements with Healthy Louisiana managed care organizations.

Methodist Foster Care

Therapeutic Foster Care is a family-based service which allows a child to live in a home with trained Therapeutic Foster Care Parents while receiving intensive treatment from community-based providers of mental health services for their emotional and behavioral needs. Therapeutic Foster Care gives a child a supportive family setting until the natural family can be reunited or a permanent placement can be arranged for the child.

On November 25, 2015, the Organization created the Methodist Foster Care program and entered into a contract with the Louisiana Department of Children and Family Services to provide Therapeutic Foster Care to children in the custody of that department. The Organization received the Child Placing License on December 1, 2015.

Donated Nonfinancial Assets

Nonfinancial assets totaled \$1,956 which consisted of sugar. Valuation was recorded at retail cost. Sugar was utilized for the production of jams and jelly which are associated with the OWL program.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Organization receives a significant portion of its revenue from grants/contracts from government agencies, thus the Organization is subject to possible cutbacks due to changes in funding priorities. During 2020 and 2019, the Organization received approximately 72% and 64%, respectively, of its gross public support from such grants/contracts.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted (GAAP) in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets which are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that will either 1) expire by incoming expenses satisfying the restricted purpose (purpose-restricted), and/or the passage of time or other events (time-restricted), or 2) will never expire (perpetual in nature). When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Liquidity

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with a maturity of six months or less to be cash and cash equivalents.

Certificates of Deposit

The Organization had one and one certificates of deposit as of December 31, 2020 and 2019, respectively, that were unrestricted funds:

	2020	2019
Local Investment Fund		
Cash and cash equivalents:		
First National Bank Toma Lodge, Ruston, Louisiana, dated February 23, 2020, maturing February 24, 2021, 0.50% annual percentage rate, interest credited monthly.	\$ 100,000	\$ -
First National Bank Toma Lodge, Ruston, Louisiana, dated February 23, 2019, maturing February 24, 2020, 0.50% annual percentage rate, interest paid on maturity.	-	100,000
	<u>-</u>	<u>100,000</u>
Cash and cash equivalents	<u>\$ 100,000</u>	<u>\$ 100,000</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Certificates of Deposit (continued)

During the prior year, the Organization obtained a letter, dated September 18, 2019, from Origin Bank, Ruston, Louisiana, stating that the Organization has a standing approval for a \$300,000 line of credit through December 31, 2020. The loan approval is to satisfy licensing requirements of \$100,000 for each of the Organization's Ruston, Mandeville, and Sulphur, Louisiana locations.

During the current year, the Organization obtained a letter, dated September 1, 2020, from Origin Bank, Ruston, Louisiana, stating that the Organization has a standing approval for a \$300,000 line of credit through December 31, 2021. The loan approval is to satisfy licensing requirements of \$100,000 for each of the Organization's Ruston, Mandeville, and Sulphur, Louisiana locations.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, 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. Significant estimates include those assumed in valuing promises to give, the market values of investments, expected return on investments, estimated life expectancies, and the useful lives of depreciable assets. It is at least possible that the significant estimates will change within the next year.

Accounts Receivable

The Organization routinely grants clients and clients' families credit for their services. The Organization also receives pledges that represent receivables.

The policy for charging off uncollectible client service receivables is as follows: A monthly collection notice will be sent for two months with a follow-up call from the accounting bookkeeper in the second month. If the client account remains open for a third month, a letter from the Chief Operating Officer is sent. If the child is in one of the residential programs, this will not jeopardize their continued placement. If an account is greater than \$1,500, a letter from the Organization's attorney will be sent to the family requesting payment with further legal action as needed. Accounts less than \$1,500 will be turned over to a collection agency. Debts for client care will be written off only when all reasonable attempts at recovery have been taken and it is not cost effective to continue the process.

The policy for charging off uncollectible pledge receivables is as follows: Contributors who make pledges will be sent reminders from the development department. If the pledge is not given in the time specified or within one year thereafter, the account will be recommended to the president/CEO of the Organization for write-off.

An allowance for uncollectible accounts related to services and cost reimbursement totaled \$1,071,132 and \$882,266 as of December 31, 2020 and 2019, respectively. Also, an allowance related to accounts for unconditional promises to give totaled \$0 and \$0 as of December 31, 2020 and 2019, respectively.

The president/CEO or his/her designee must approve all debts for write-off after being satisfied that the recovery procedures have been complied with and that all reasonable attempts at recovery have been satisfied.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Accounts Receivable (continued)**

As of December 31, 2020 and 2019, the Organization's accounts receivable contains \$97,516 and \$101,842, respectively, due from the Lincoln Parish School Board for the state and local funds for educational services provided to resident and nonresident students of Howard School. For 2020, this receivable is the net amount of federal, state, and local funding derived from the Louisiana Department of Education's October 1, 2019 and February 1, 2020 student counts at Howard School, less actual services and benefits received from the Lincoln Parish School Board. For 2019, the Louisiana Department of Education's October 1, 2018 and February 1, 2019 student counts were used.

Donated Property and Services

Donated services and property are recognized at fair market value at the time the assets are made available to the Organization. No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise.

Inventory

Purchased inventory is stated at cost. Donated inventory is stated at approximate fair market value at the time of donation.

Property and Equipment

Fixed assets are recorded at cost if purchased or market value at time of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets ranging from three to 50 years.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Organization primarily receives unrestricted contributions with the exception of certain bequests of future interest in testamentary trusts; these net assets are temporarily restricted by the donor until the trust matures at some future date and unconditional promises to give to be received in future periods.

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

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Interest and Penalties**

The Organization paid \$0 and \$0 in penalties for the years ended December 31, 2020 and 2019, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities.

Costs are allocated between fundraising, management, and general or the appropriate program based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Credit Risk

The Organization maintains cash accounts in various institutions with locations in Ruston, Louisiana. The balances are insured by the Federal Deposit Insurance Corporation, up to \$250,000. At December 31, 2020 and 2019, the Organization had no uninsured cash balances, but held \$8,115,787 and \$10,219,174, respectively, in securities purchases with an obligation to sell.

NOTE 2 - DEFINED CONTRIBUTION PLAN

The Organization sponsors employees regularly working more than 1,040 hours per year with more than 12 months of service in the Lay Employees' Pension Fund of the United Methodist Church whereby it matches the employees' 3% minimum contribution two-for-one for a total cost to the Organization of 6% of participating employees' gross earnings. Contributions by the Organization totaled \$605,379 for 2020 and \$559,777 for 2019. The Organization also funds the minister's retirement with the Louisiana Annual Conference of the United Methodist Church. Contributions by the Organization totaled \$11,669 and \$10,439 during 2020 and 2019, respectively.

NOTE 3 - INVESTMENTS

The Organization's investments and certain cash and cash equivalents are held primarily by a national investment banking and financial services company and are managed by an investment advisor in accordance with the terms of an investment advisory agreement.

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. Pursuant to Accounting Standards Codification 958, *Financial Statements of Not-For-Profit Entities*, gains and losses on investments are reported in the statement of activities as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 3 - INVESTMENTS (continued)

	2020	2019
Net income (loss) for years – Endowment Fund		
Interest	\$ 128,072	\$ 116,922
Dividends and settlement income	239,644	294,496
Income from pooled fund	239,747	377,343
Realized and unrealized gains and (losses)	4,329,718	5,906,192
	\$ 4,937,181	\$ 6,694,953
Less: investment expenses	(106,788)	(99,359)
	\$ 4,830,393	\$ 6,595,594

Gross proceeds from the sale of securities amounted to \$4,668,972 and \$6,223,356 for the years ended December 31, 2020 and 2019, respectively.

Investments with a cost basis of \$ 36,024,582 had unrealized gains of \$ 3,658,527 as of December 31, 2020.

Investments with a cost basis of \$ 30,719,379 had unrealized gains of \$ 5,956,653 as of December 31, 2019.

Local Investment Fund

In 1996, the Organization received a bequest from the Estate of Louise Briley Leake in the form of an interest in a testamentary trust whereby the income will be paid annually and the trust principal distributed to the Organization 25 years from the death of the donor. The bequest was recorded at fair value. Annual changes in fair value are reported as unrealized gain or loss and an increase or decrease in temporarily restricted assets. This trust fund was valued at \$3,696 and \$694,475 for 2020 and 2019, respectively.

During 2000, the Organization received a bequest from the Estate of Hattye Jordan. The Hattye Recouley Jordan Charitable Remainder Unitrust has Hancock Whitney Bank as trustee and the Organization will receive the assets of the trust upon the death of the recipient. The assets of the trust were valued based upon available market rates discounted for the life expectancy of the recipient. The market values of the trust were \$344,333 and \$341,629 for 2020 and 2019, respectively. The discounted values were \$277,489 and \$269,836 for 2020 and 2019, respectively.

During 2015, the Organization received a bequest from the Estate of Barbara Williamson. The Barbara Williamson Charitable Lead Trust has an individual as the trustee and the Organization received a 20% interest in the assets of the trust. The assets are payable to the Organization at the rate of 5% of the fair market value of the assets of the trust on December 31 of each year for 50 years. The fair market value of 20% interest of the assets of the trust was \$887,586 and \$883,359 as of December 31, 2020 and 2019, respectively. The discounted values were \$839,236 and \$828,772 for 2020 and 2019, respectively.

During 2017, the Organization recorded a bequest from the Estate of Annie Pomeroy of an 1/7th interest in the Pomeroy Trust, LLC. The assets of the limited liability company were recorded at cost of \$135,486 and \$135,486 to reflect the Organization's interest as of December 31, 2020 and 2019, respectively.

The Organization records unrealized gains and losses of securities held by the various trusts in the Statement of Activities as increases or decreases in temporarily restricted net assets.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 3 - INVESTMENTS (continued)****Other Information**

Also, at the end of 2009, the United Methodist Foundation of Louisiana established a "Donor Advised Fund" in an account named "Methodist Home for Children New Orleans Endowment." The fund is a temporarily restricted fund of the United Methodist Foundation, with an annual distribution available for use to operate a children's home in the Greater New Orleans area.

Originally, if a new home is constructed in the Greater New Orleans area, 80% of the value of the fund could be distributed for construction costs. The remaining 20% should be retained as a permanently restricted asset of the United Methodist Foundation and the annual distribution will continue to be used for operational support of that Greater New Orleans home.

During 2014, \$1,000,000 was transferred from the United Methodist Foundation to the Organization for the purchase of property to become the permanent site of a Methodist Children's Home in the Greater New Orleans area.

During 2015, the Organization purchased approximately 125 acres in Tangipahoa Parish as well as mineral and surface rights for a total cost of \$1,017,648.

As of December 31, 2020 and 2019, the market value of the assets in the construction account was \$0 and \$229,085, respectively. The market value of the assets in the permanently restricted fund was \$442,802 and \$389,822 as of December 31, 2020 and 2019, respectively.

Operating Fund

The Organization owns two (2) cash surrender value life insurance policies with Met Life. The policies were issued on the lives of two (2) former officers of the Organization with current annual premiums of \$2,500 each paid with paid-up additional insurance surrendered. The original investments for each policy in paid-up additional insurance were \$70,000 and \$75,000, respectively. The increases in cash surrender value of life insurance for the years ended December 31, 2020 and 2019, were \$28,064 and \$11,290, respectively. The cash surrender values of the policies as of December 31, 2020 and 2019, were \$482,919 and \$454,855, respectively.

NOTE 4 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 Measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has ability to access.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Fair Value of Assets Measured on a Recurring Basis

The Organization's investments in securities with readily determinable fair values are recorded at fair value based on quoted market prices. For those investments, where quoted prices are unavailable, management estimates fair value based on quoted prices for similar instruments with consideration of actively quoted interest rates, credit ratings and spreads, prepayment models, and collateral data. The Organization utilizes several externally managed funds of funds for private equity, venture capital, and hedge funds, and with these types of investments, quoted prices are often unavailable, and pricing inputs are generally unobservable. The Organization relies on the valuation procedures and methodologies of the external managers hired specifically to invest in such securities or in strategies which employ such securities. The application of those valuation procedures and methodologies are borne out in each manager's FASB ASC 820 compliant annual audited financial statements and were monitored through the Organization's reporting periods ended December 31, 2020 and 2019

Investments held in pooled accounts managed by United Methodist Foundation are included in Level 2 of the fair value hierarchy as the investment pool is valued using the net asset value as reported by the custodian. The net asset values are determined based on the fair values of the underlying investments. The custodian uses independent pricing services, where available, to value the securities. If an independent pricing service does not value a security or the value is not, in the view of the custodian, representative of the market value, the custodian will attempt to obtain a price quote from a secondary pricing source, which may include third party brokers, investment advisers, and principal market makers or affiliated pricing services. If a secondary source is unable to provide a price, the custodian may obtain a quotation from the counterparty that sold the security.

This method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the hierarchy, the Organization's assets measured at fair value on recurring basis as of December 31, 2020 and 2019.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)	Cost Basis	Fair Market Basis	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Unrealized Gain (Loss)
2020 LOCAL INVESTMENT FUND						
Equity securities - cost or donated value						
Publically Traded	\$ 45,470	\$ 72,309	\$ 72,309	\$ -	\$ -	\$ 26,839
Closely Held	16,984	249,981	-	-	249,981	232,997
Total Equity securities	<u>\$ 62,454</u>	<u>\$ 322,290</u>	<u>\$ 72,309</u>	<u>\$ -</u>	<u>\$ 249,981</u>	<u>\$ 259,836</u>
Net income - Local Investment Fund						
Interest		\$ 38,073				
Dividends		48,312				
		<u>\$ 86,385</u>				
2020 INVESTMENTS ENDOWMENT FUND						
<u>Argent Trust Company - Ruston, LA</u>						
Cash equivalents	<u>\$ 1,141,869</u>	<u>\$ 1,141,869</u>				
Equities						
Mutual funds						
Mutual funds - foreign	\$ 1,566,922	\$ 1,969,603	\$ 1,969,603	\$ -	\$ -	\$ 402,681
Mutual funds - domestic	1,513,152	2,719,242	2,719,242	-	-	1,206,090
Total mutual funds	<u>\$ 3,080,074</u>	<u>\$ 4,688,845</u>	<u>\$ 4,688,845</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,608,771</u>
Common stock	\$ 4,503,358	\$ 9,530,309	\$ 9,530,309	\$ -	\$ -	\$ 5,026,951
Total equities	<u>\$ 7,583,432</u>	<u>\$ 14,219,154</u>	<u>\$ 14,219,154</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,635,722</u>
Corporate bonds	\$ 2,092,141	\$ 2,201,751	\$ -	\$ 2,201,751	\$ -	\$ 109,610
Foreign bonds nts and debentures	182,060	185,119	-	185,119	-	3,059
Intermediate term fixed income fund	195,004	216,265	-	216,265	-	21,261
Mortgage bond	1,111,890	1,166,179	-	1,166,179	-	54,289
Municipal obligations	355,212	362,017	-	362,017	-	6,805
Preferred Stock	74,250	77,760	-	77,760	-	3,510
Short term fixed income fund	239,529	248,700	-	248,700	-	9,171
Taxable municipal obligations	223,854	228,684	-	228,684	-	4,830
U.S. government agency bonds	349,760	353,118	353,118	-	-	3,358
U.S. treasuries	100,234	107,727	107,727	-	-	7,493
Total fixed income securities	<u>\$ 4,923,934</u>	<u>\$ 5,147,320</u>	<u>\$ 460,845</u>	<u>\$ 4,686,475</u>	<u>\$ -</u>	<u>\$ 223,386</u>
Total Argent Investments without cash	<u>\$ 12,507,366</u>	<u>\$ 19,366,474</u>	<u>\$ 14,679,999</u>	<u>\$ 4,686,475</u>	<u>\$ -</u>	<u>\$ 6,859,108</u>
<u>The United Methodist Foundation of LA</u>						
Cash equivalents	<u>\$ -</u>	<u>\$ -</u>				
Mutual Funds - Equity	\$ 1,324,763	\$ 1,324,763	\$ 875,000	\$ 449,763	\$ -	\$ -
Money Accounts	9,892,251	12,245,935	12,245,935	-	-	2,353,684
Stocks and Related	845,271	922,200	-	922,200	-	76,929
Corporate Bonds	1,347,891	1,442,049	1,396,371	45,678	-	94,158
U. S. Government Bonds	732,768	740,064	-	740,064	-	7,296
Mortgage Asset Backed	2,147,693	2,249,870	2,249,870	-	-	102,177
Pooled income funds	<u>1,140,982</u>	<u>1,391,754</u>	<u>-</u>	<u>1,391,754</u>	<u>-</u>	<u>250,772</u>
Total United Methodist Foundation Investments without cash	<u>\$ 17,431,619</u>	<u>\$ 20,316,635</u>	<u>\$ 16,767,176</u>	<u>\$ 3,549,459</u>	<u>\$ -</u>	<u>\$ 2,885,016</u>
Endowment fund total investments without cash equivalents	<u>\$ 29,938,985</u>	<u>\$ 39,683,109</u>	<u>\$ 31,447,175</u>	<u>\$ 8,235,934</u>	<u>\$ -</u>	<u>\$ 9,744,124</u>
Total stocks, bonds, and notes	<u>\$ 30,001,439</u>	<u>\$ 40,005,399</u>	<u>\$ 31,519,484</u>	<u>\$ 8,235,934</u>	<u>\$ 249,981</u>	<u>\$ 10,003,960</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)	Cost Basis	Fair Market Basis	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Unrealized Gain (Loss)
2019 LOCAL INVESTMENT FUND						
Equity securities - cost or donated value						
Publically Traded	\$ 39,962	\$ 90,938	\$ 90,938	\$ -	\$ -	\$ 50,976
Closely Held	16,984	239,784	-	-	239,784	222,800
Total Equity securities	<u>\$ 56,946</u>	<u>\$ 330,722</u>	<u>\$ 90,938</u>	<u>\$ -</u>	<u>\$ 239,784</u>	<u>\$ 273,776</u>
Net income - Local Investment Fund						
Interest		\$ 56,452				
Dividends		105,173				
		<u>\$ 161,625</u>				
2019 INVESTMENTS ENDOWMENT FUND						
<u>Argent Trust Company - Ruston, LA</u>						
Cash equivalents	<u>\$ 675,370</u>	<u>\$ 675,370</u>				
Equities						
Mutual funds						
Mutual funds - foreign	\$ 77,078	\$ 133,069	\$ 133,069	\$ -	\$ -	\$ 55,991
Mutual funds - domestic	803,426	1,322,977	1,322,977	-	-	519,551
Total mutual funds	<u>\$ 880,504</u>	<u>\$ 1,456,046</u>	<u>\$ 1,456,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,542</u>
Common stock	\$ 6,740,211	\$ 11,432,758	\$ 11,432,758	\$ -	\$ -	\$ 4,692,547
Total equities	<u>\$ 7,620,715</u>	<u>\$ 12,888,804</u>	<u>\$ 12,888,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,268,089</u>
Corporate bonds	\$ 1,987,127	\$ 2,025,080	\$ -	\$ 2,025,080	\$ -	\$ 37,953
Foreign bonds nts and debentures	201,832	204,135	-	204,135	-	2,303
Intermediate term fixed income fund	195,004	202,930	-	202,930	-	7,926
Mortgage bond	1,077,061	1,091,853	-	1,091,853	-	14,792
Municipal obligations	163,317	163,368	-	163,368	-	51
Preferred Stock	149,010	155,760	-	155,760	-	6,750
Short term fixed income fund	239,529	241,830	-	241,830	-	2,301
Taxable municipal obligations	431,061	439,613	-	439,613	-	8,551
U.S. government agency bonds	668,586	672,842	672,842	-	-	4,257
U.S. treasuries	100,289	102,621	102,621	-	-	2,332
Total fixed income securities	<u>\$ 5,212,817</u>	<u>\$ 5,300,032</u>	<u>\$ 775,463</u>	<u>\$ 4,524,569</u>	<u>\$ -</u>	<u>\$ 87,216</u>
Total Argent Investments without cash	<u>\$ 12,833,532</u>	<u>\$ 18,188,836</u>	<u>\$ 13,664,267</u>	<u>\$ 4,524,569</u>	<u>\$ -</u>	<u>\$ 5,355,305</u>
<u>The United Methodist Foundation of LA</u>						
Cash equivalents	<u>\$ 1,618,967</u>	<u>\$ 1,618,967</u>				
Mutual Funds - Equity						
Money Accounts	\$ 2,237,017	\$ 2,230,984	\$ 2,230,984	\$ -	\$ -	\$ (6,033)
Stocks and Related	372,572	372,572	372,572	-	-	-
Corporate Bonds	10,791,837	11,661,197	11,661,197	-	-	869,360
U. S. Government Bonds	866,322	893,187	-	893,187	-	26,865
Mortgage Asset Backed	1,196,166	1,218,958	1,218,958	-	-	22,792
Pooled income funds	1,179,307	1,185,703	-	1,185,703	-	6,396
Total United Methodist Foundation Investments without cash	<u>\$ 17,828,901</u>	<u>\$ 18,748,281</u>	<u>\$ 15,483,711</u>	<u>\$ 3,264,570</u>	<u>\$ -</u>	<u>\$ 919,380</u>
Endowment fund total investments without cash equivalents	<u>\$ 30,662,433</u>	<u>\$ 36,937,117</u>	<u>\$ 29,147,978</u>	<u>\$ 7,789,139</u>	<u>\$ -</u>	<u>\$ 6,274,685</u>
Total stocks, bonds, and notes	<u>\$ 30,719,379</u>	<u>\$ 37,267,839</u>	<u>\$ 29,238,916</u>	<u>\$ 7,789,139</u>	<u>\$ 239,784</u>	<u>\$ 6,548,461</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets in the Local Investment Fund for the years ended December 31, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Closely-held company stock:		
Balance, beginning of year	\$ 239,784	\$ 16,984
Unrealized gains related to instruments still held at the reporting date	<u>10,197</u>	<u>222,800</u>
Balance, end of year	<u>\$ 249,981</u>	<u>\$ 239,784</u>

The Organization's Level 3 closely-held company stock has been valued using a base price provided by the closely-held company as determined by a third-party consultant. The base price was applicable throughout the year 2020. Purchases as a result of the closely-held company exercising its purchase option during the year were at that price. No unobservable inputs internally developed by the Organization have been applied to these investments.

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets in the Operating Fund for the years ended December 31, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Cash surrender value of insurance:		
Balance, beginning of year	\$ 454,855	\$ 443,565
Increase in value, net	<u>28,064</u>	<u>11,290</u>
Balance, end of year	<u>\$ 482,919</u>	<u>\$ 454,855</u>

The Organization's Level 3 cash surrender value of life insurance with MetLife has been valued using a table provided by the Metropolitan Life Insurance Company that represents the amount the Organization can realize upon surrender of the policies.

NOTE 5 - CONCENTRATION OF REVENUES AND ACCOUNTS RECEIVABLE

Louisiana United Methodist Children and Family Services, Inc. provides psychiatric residential treatment facility services in its three children's homes. These services are reimbursed in part at a rate established in contract with Healthy Louisiana managed care organizations. These rates were determined and negotiated using the findings of annual cost reports conducted according to Louisiana Department of Health regulations, which are submitted to the Louisiana Department of Health upon completion.

Revenue from this service totaled \$18,560,174 and \$20,010,662 for 2020 and 2019, respectively. Accounts receivable balances related to this activity were \$3,584,618 and \$4,068,189 as of December 31, 2020 and 2019, respectively. The 2020 revenue includes \$1,476,410 from the federal HRSA Cares Act provider relief program.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 5 - CONCENTRATION OF REVENUES AND ACCOUNTS RECEIVABLE (continued)

Accounts receivable arise from the normal course of providing these services and are not secured. An allowance for uncollectible accounts of \$1,071,132 and \$882,266 for 2020 and 2019, respectively, has been provided for accounts receivable, and cost reimbursement receivables related to services. Accounts receivable balances over 90 days past due were \$1,227,483 and \$1,569,291 as of December 31, 2020 and 2019, respectively.

Pledges Receivable

Operating Fund

The Organization received pledges during the years ended December 31, 2020 and 2019, totaling \$1,267 and \$8,500, respectively. These pledges were not restricted by the donors. The pledges were collected during the subsequent period and there was no allowance for uncollectible pledges for the current year or the prior year. There was no discount rate applied to these pledges.

Promises to give - temporarily restricted are receivables from donors who have written commitments to contribute to the Organization. Promises to give - temporarily restricted are pledges temporarily restricted to purchase capital assets and renovate existing buildings and facilities. Pledges expected to be received within the next 12 months are classified as current assets. All pledges are expected to be received within the next 5 years.

Local Investment Fund

During the prior year, the Organization launched a new capital campaign to facilitate the construction of a new facility in Loranger, Louisiana. In December 2015 the Organization purchased 125 acres of undeveloped land north of I-12 east of Hammond, Louisiana, in Tangipahoa Parish. The Organization intends to create a premier treatment facility in Southeast Louisiana located in the middle of 50% of the state's entire population. The Organization has named the facility "Methodist Children's Home of Southeast Louisiana and Greater New Orleans." This facility will provide regional services in Southeast Louisiana that will include a state-of-the-art psychiatric residential treatment facility with an adjacent clinic and administrative building with future expansion for Therapeutic Foster Care (TFC), Life Skills, and experimental therapy.

The Organization received pledges during the years ending December 31, 2020 and 2019 totaling \$420,800 and \$438,600, respectively. \$10,800 and \$600 were from employees of the Organization and \$0 and \$278,000 were from members of the Board of Directors for the years ending December 31, 2020 and 2019, respectively. The pledges are to be collected over a 5-year period. An allowance for uncollected pledges of 12% and 12% of the totals, or \$90,539 and \$65,578 for the years ending December 31, 2020 and 2019, respectively, has been established based on historical collection rates. A discount rate of 1% of the total, or \$8,915 and \$22,443 discounts, have been applied to calculate the current balance of pledge receivables as of December 31, 2020 and 2019, respectively totaling \$726,208 and \$540,504.

The following is a 5-year schedule of anticipated collection of the pledges:

2021	\$	237,927
2022		200,749
2023		178,190
2024		79,342
2025 and after		30,000

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 6 - INVENTORY

Inventories as of December 31, 2020 and 2019, consist of salsa products produced at the Outdoor Wilderness Learning Center at an approximate cost of \$3,652 and \$15,016, respectively. Supplies related to COVID-19 prevention located in Ruston, Louisiana, totaled \$34,659 as of December 31, 2020. Food inventory located at the Outdoor Wilderness Learning Center totaled \$1,078 and \$1,459 as of December 31, 2020 and 2019, respectively. Food inventory located in Sulphur, Louisiana, totaled \$4,271 and \$7,408 as of December 31, 2020 and 2019, respectively. Food inventory located in Ruston, Louisiana, totaled \$13,019 and \$23,723 as December 31, 2020 and 2019, respectively. Total inventory reflected in the general operating fund totaled \$56,679 and \$47,606 as of December 31, 2020 and 2019, respectively.

	<u>2020</u>	<u>2019</u>
OWL salsa products	\$ 3,652	\$ 15,016
Supplies, Ruston, LA	34,659	-
Food, OWL	1,078	1,459
Food, Ruston, LA	13,019	23,723
Food, Sulphur, LA	<u>4,271</u>	<u>7,408</u>
Totals	<u>\$ 56,679</u>	<u>\$ 47,606</u>

NOTE 7 - PROPERTY AND EQUIPMENT

Fixed assets are recorded at cost if purchased, and at fair market value at time of donation.

The major categories of fixed assets are as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
December 31, 2020			
Land and improvements	\$ 2,759,316	\$ (55,024)	\$ 2,704,292
Buildings and improvements	24,453,614	(10,368,887)	14,084,727
Furniture and fixtures	1,697,419	(1,429,995)	267,424
Office furniture and equipment	22,186	(22,186)	-
Automobiles, trucks, and vans	1,378,977	(1,111,922)	267,055
Tractors and other equipment	<u>591,687</u>	<u>(367,597)</u>	<u>224,090</u>
Totals	<u>\$ 30,903,199</u>	<u>\$ (13,355,611)</u>	<u>\$ 17,547,588</u>
December 31, 2019			
Land and improvements	\$ 2,759,341	\$ (53,137)	\$ 2,706,204
Buildings and improvements	22,792,519	(9,584,364)	13,208,155
Furniture and fixtures	1,880,740	(1,474,774)	405,966
Office furniture and equipment	22,186	(22,186)	-
Automobiles, trucks, and vans	1,402,335	(1,008,917)	393,418
Tractors and other equipment	<u>354,947</u>	<u>(303,895)</u>	<u>51,052</u>
Totals	<u>\$ 29,212,068</u>	<u>\$ (12,447,273)</u>	<u>\$ 16,764,795</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 7 - PROPERTY AND EQUIPMENT (continued)

As of December 31, 2020, construction in progress consisted of a telephone system and building construction of the new Methodist Children's Home in Tangipahoa Parish that were not completed as of December 31, 2020 totaling \$3,356,386.

The depreciation expense was \$1,175,746 and \$1,066,962 for the years ended December 31, 2020 and 2019, respectively.

The following is a summary of depreciable lives by category based on a straight-line method of depreciation:

Land and improvements	20 and 30 years
Buildings and improvements	5, 10, 15, 20, 25, 30, 40, and 50 years
Furniture and fixtures	3, 5, 10, 15, and 25 years
Office furniture and equipment	3, 5, 10, 15, and 25 years
Automobiles, trucks, and vans	5 and 10 years
Tractors and other equipment	5 and 10 years

NOTE 8 - SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Independent Living Program consists of four contracts. The contracts are an 80/20 matching program in which the Organization is reimbursed for expenditures equal to its in-kind or cash contribution. There are four regional contracts reflecting the period January 1, 2019 until June 30, 2019, and July 1, 2019 until December 31, 2019, for the period ending June 30, 2020. The regions are Monroe, Covington, Lake Charles, and Lafayette, Louisiana. These costs are allocated to the independent living program based on detailed ledgers maintained by the Organization. These costs consist of allocated portions of administrative overhead, salaries and related benefits, travel, operating services supplies, professional services, capital outlay, and miscellaneous expenses. The Organization does not reclassify these allocated portions as independent living services expenditures for financial statement purposes. Total revenue from this service totaled \$522,621 and \$518,309 for 2020 and 2019, respectively.

The Child Victims' Assistance Program subgrant requires a 20% match for personnel, related benefits, and contract services. Revenue from this program totaled \$42,702 and \$37,981 for 2020 and 2019, respectively

The Foster Parent Support Organization Program subgrant includes regional support group, peer mentoring, state communication system and conflict resolution. Revenue from this program totaled \$220,420 and \$23,507 during 2020 and 2019, respectively.

NOTE 9 - RELATED PARTY

Total contributions received from employees, officers, and Organization members of the Organization totaled \$53,520 and \$612,364 during 2020 and 2019, respectively.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 10 - NET ASSETS WITHOUT DONOR RESTRICTIONS

The Organization's net assets without donor restrictions reflects undesignated net assets and designated net assets. Designated net assets consist of the Board of Director's actions to reserve funds (net assets) for specific anticipated needs of the Organization during the current or foreseeable future.

The balance of net assets without donor restrictions consist of the following:

	<u>Totals</u>	<u>General Operating Fund</u>	<u>Endowment Fund</u>	<u>Local Investment Fund</u>	<u>Fixed Asset Fund</u>
December 31, 2020					
Net assets without donor restrictions	\$ 72,071,440	\$ 3,586,208	\$ 38,059,617	\$ 9,521,641	\$ 20,903,974
Designated:					
Operating budget	\$ 1,654,906	\$ -	\$ 1,654,906	\$ -	\$ -
Capital improvements:					
Methodist Children's Home of Southeast Louisiana and Greater New Orleans	82,052	-	-	82,052	-
Other capital projects	37,206	-	-	37,206	-
Total designated	<u>\$ 1,774,164</u>	<u>\$ -</u>	<u>\$ 1,654,906</u>	<u>\$ 119,258</u>	<u>\$ -</u>
Total net assets without donor restrictions	<u>\$ 73,845,604</u>	<u>\$ 3,586,208</u>	<u>\$ 39,714,523</u>	<u>\$ 9,640,899</u>	<u>\$ 20,903,974</u>
December 31, 2019					
Net assets without donor restrictions	\$ 67,967,043	\$ 4,081,995	\$ 35,025,761	\$ 10,068,879	\$ 18,790,408
Designated:					
Operating budget	\$ 1,654,905	\$ -	\$ 1,654,905	\$ -	\$ -
Capital improvements:					
Methodist Children's Home of Southeast Louisiana and Greater New Orleans	262,633	-	-	262,633	-
Technology update	200,000	-	-	200,000	-
Other capital projects	30,874	-	-	30,874	-
Total designated	<u>\$ 2,148,412</u>	<u>\$ -</u>	<u>\$ 1,654,905</u>	<u>\$ 493,507</u>	<u>\$ -</u>
Total net assets without donor restrictions	<u>\$ 70,115,455</u>	<u>\$ 4,081,995</u>	<u>\$ 36,680,666</u>	<u>\$ 10,562,386</u>	<u>\$ 18,790,408</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

	<u>2020</u>	<u>2019</u>
Operating Fund		
Current assets:		
Checking - Origin Bank	\$ 36,697	\$ 43,684
Endowment Fund		
Current assets:		
Cash - Central Pennsylvania Conference	-	45,269
Cash - GNO building account	-	1,573,698
Long-term investments:		
Pooled funds	564,856	972,292
Local Investment Fund		
Current assets:		
Checking - Origin Bank	750,642	426,662
Accounts receivable - promises to give (net)	635,669	474,926
Long-term investments:		
Leake Testamentary Trust	3,696	694,475
H.R. Jordan Charitable Remainder Trust	277,489	269,836
Barbara Williamson Charitable Lead Trust	839,236	828,772
The Pomeroy Trust, LLC	135,486	135,486
R.D. Webb property	<u>8,149</u>	<u>9,248</u>
Balances at year end	<u>\$ 3,251,920</u>	<u>\$ 5,474,348</u>
Endowment Fund		
Long-term investments:		
Pooled funds	\$ 582,471	\$ 541,970
Local Investment Fund		
Short-term investments:		
Checking - Origin Bank	<u>545</u>	<u>495</u>
Balances at year end	<u>\$ 583,016</u>	<u>\$ 542,465</u>
Net assets with donor restrictions	<u>\$ 3,834,936</u>	<u>\$ 6,016,813</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS (continued)

Composition of net assets with donor restrictions:

The following is the composition by type of fund of net assets with donor restrictions as of December 31, 2020:

	Time Restricted	Purpose Restricted	Perpetual in Nature	Total
Endowments	\$ -	\$ 564,856	\$ 582,471	\$ 1,147,327
Central Pennsylvania Conference	-	-	-	-
GNO building account	-	-	-	-
Leake Testamentary Trust	3,696	-	-	3,696
H.R. Jordan Charitable Remainder Trust	277,489	-	-	277,489
Barbara Williamson Charitable Lead Trust	839,236	-	-	839,236
The Pomeroy Trust, LLC	135,486	-	-	135,486
R.D. Webb Property	8,149	-	-	8,149
Other	-	1,423,008	545	1,423,553
Totals	<u>\$ 1,264,056</u>	<u>\$ 1,987,864</u>	<u>\$ 583,016</u>	<u>\$ 3,834,936</u>

The following is the composition by type of fund of net assets with donor restrictions as of December 31, 2019:

	Time Restricted	Purpose Restricted	Perpetual in Nature	Total
Endowments	\$ -	\$ 972,292	\$ 541,970	\$ 1,514,262
Central Pennsylvania Conference	-	45,269	-	45,269
GNO building account	-	1,573,698	-	1,573,698
Leake Testamentary Trust	694,475	-	-	694,475
H.R. Jordan Charitable Remainder Trust	269,836	-	-	269,836
Barbara Williamson Charitable Lead Trust	828,772	-	-	828,772
The Pomeroy Trust, LLC	135,486	-	-	135,486
R.D. Webb Property	9,248	-	-	9,248
Other	-	945,272	495	945,767
Totals	<u>\$ 1,937,817</u>	<u>\$ 3,536,531</u>	<u>\$ 542,465</u>	<u>\$ 6,016,813</u>

Helen and Allen Barksdale Lecture Series

Funds were contributed to establish a lecture series for the Organization. The income will fund the expenses of the lectures and the principal totaling \$100,000 will not be expended. The income (loss) included in the temporarily restricted fund was \$17,453 and \$20,772 for the years ended December 31, 2020 and 2019, respectively. The market values of the assets of this account as of December 31, 2020 and 2019, were \$145,874 and \$128,421, respectively. \$100,000 of the balance is permanently restricted.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS (continued)****Bradley Family Music Program**

Funds were contributed to establish the Bradley Family Music Program. The principal totaling \$10,000 will not be expended. The income of the endowment can be used for any music-related expense that benefits the youth and the Organization. Examples include, but are not limited to, musical instruments, hymnals or sheet music, and the cost or expense of instrument lessons or choir direction. The income (loss) included in the temporarily restricted fund was \$1,707 and \$2,031 for the years ended December 31, 2020 and 2019, respectively. The market values of the assets of this account as of December 31, 2020 and 2019, were \$14,264 and \$12,557, respectively. \$10,000 of the balance is permanently restricted.

Bull Buteau Vo-Tech Scholarship (formerly Vo-Tech Scholarship Funds)

Beginning in 2011, funds were contributed to establish a Vocational Technical training scholarship for the Organization. Effective September 2014, the scholarship was renamed the "Bull Buteau Vo-Tech Scholarship." The income will fund the expenses of the Vo-tech school and the principal totaling \$347,600 will not be expended. Contributions of \$40,500 and \$48,000 were contributed for the years ending December 31, 2020 and 2019, respectively. The income (loss) included in temporarily restricted funds was \$52,467 and \$51,002 for the years ended December 31, 2020 and 2019, respectively. The market values of the assets of this account in the endowment fund as of December 31, 2020 and 2019, were \$446,420 and \$353,453, respectively. \$347,600 of the balance is permanently restricted.

Lester O. Bennett Scholarship Fund

During 2017, funds were contributed to establish the Lester O. Bennett Scholarship Fund totaling \$15,000. The income of the scholarship fund shall be used to fund scholarships and educational expenses. The funds can be used for any youth to continue their education at a high school, college, or vocational school. The market values of this account as of December 31, 2020 and 2019, were \$15,000 and \$15,000, respectively. \$15,000 of the balance is permanently restricted.

Amy McGuire Endowed Scholarship Fund

Funds were initially contributed to establish an Amy McGuire Endowed Scholarship Fund totaling \$90,410. During 2020 and 2019, \$50 and \$495, respectively, were contributed. The income and any non-endowed gifts given to the scholarship fund shall be used to fund scholarships and educational expenses. The funds can be used for any youth to continue their education at a university, community college, vocational training, GED expenses, or general educational expenses at the Organization. The income (loss) included in the temporarily restricted fund was \$19,637 and \$23,970 for the years ended December 31, 2020 and 2019, respectively. The market values of the assets of this account as of December 31, 2020 and 2019, were \$164,128 and \$144,491, respectively. The market value of the assets in the Local Investment checking account was \$545 and \$495 as of December 31, 2020 and 2019, respectively. \$110,416 of the balance is permanently restricted.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 12 - INCOME TAXES**

The Organization qualifies as an Internal Revenue Code Section 501(c)(3) nonprofit organization.

However, the Organization has paid income taxes based upon income reported by "S" Corporation earnings. Total income tax expense for the years 2020 and 2019 was \$3,500 and \$4,500, respectively, on income of \$8,482 and \$15,229, respectively.

NOTE 13 - OPERATING LEASES**Northlake Behavioral Health System**

On March 22, 2018, the Organization entered into a new lease with MBH of Louisiana, LLC d/b/a Northlake Behavioral Health System to keep Methodist Children's Home of Greater New Orleans in the same location in Mandeville, Louisiana, effective April 1, 2018 through March 31, 2022. The building is a 13,764 square foot building known as S & T Wards located on the northeast corner of campus at 23515 Highway 190, Mandeville, Louisiana, for the purpose of providing supervised and structured 24-hour residential care to youths in psychiatric residential care. The new lease requires a \$2,000 monthly utility payment, and a payment per meal for meals provided to residents and staff.

The terms of the lease have monthly payments of \$16,104 for April 1, 2018 through March 31, 2019, and \$16,587 for the period of April 1, 2019 through March 31, 2022, due and payable on the first day of the month.

Therapeutic Foster Care Program

The Organization has office space leased for Therapeutic Foster Care in Covington, Louisiana (\$1,800 monthly); Alexandria, Louisiana (\$2,400 monthly); Monroe, Louisiana (\$2,600 monthly)/(\$4,500 monthly); and Lafayette, Louisiana (\$1,507 monthly) with terms ending June 2021 (30 month), November 2019 (36 months), July 2022 (36 months), December 2020 (60 months), and January 2020 (12 months), respectively. Rental expenses were \$109,886 and \$97,393 for the years 2020 and 2019, respectively.

Independent Living Program

The Independent Living Program has office space leased in Covington, Louisiana (\$1,350 monthly); and Lafayette, Louisiana (\$1,100 monthly), with terms ending March 2021 (24 months) and July 2020 (12 months), respectively. Rental expenses were \$46,250 and \$43,800 for the years 2020 and 2019, respectively.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 13 - OPERATING LEASES (continued)

All rental agreements are noncapitalizable.

The following is a schedule of lease commitments for the next five years:

2021	\$	323,321
2022		142,161
2023		54,000
2024		94,500
2025		45,000

NOTE 14 - RETIREMENT PAYABLE

During 2008, the Organization of Directors approved the adoption of a salary contribution plan for two key employees. The plan involves the payment of \$1,000 per month for each employee upon retirement for 15 years. The employee's retirement dates of July 1, 2011 and July 1, 2012, were used to record the present value of the liability based on a 6% rate. As of December 31, 2020, the liabilities were \$56,097 and \$64,412 for each employee and as of December 31, 2019, the liabilities were \$64,457 and \$72,286 for each employee. Retirement payments for the years ended December 31, 2020 and 2019, were \$12,000 and \$12,000, and \$12,000 and \$12,000, respectively.

NOTE 15 - SCHEDULE OF EXPENSES

The following schedules summaries expense by their natural expense and function classifications, which occurred during the years ended December 31, 2020 and 2019:

December 31, 2020	<u>Total</u>	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>
Salaries, benefits, and payroll taxes	\$ 23,225,339	\$ 19,479,286	\$ 459,782	\$ 3,286,271
Insurance expense	684,129	95,686	-	588,443
Professional services	480,742	222,136	26,793	231,813
Lease/rental expense	358,180	159,136	-	199,044
Food expense	739,889	739,889	-	-
Foster parent payments	2,203,818	2,203,818	-	-
Office and postage expense	218,359	94,570	16,013	107,776
Telephone	221,136	113,222	3,355	104,559
Travel and seminar	236,995	171,471	18,144	47,380
Training	51,108	21,807	-	29,301
Utilities	402,441	346,361	6,209	49,871
Repairs and maintenance	468,106	245,868	29,972	192,266
Supplies	620,586	534,638	8,446	77,502
Bad debt expense	500,000	-	-	500,000
Miscellaneous	594,660	317,404	83,673	193,583
Total before depreciation	\$ 31,005,488	\$ 24,745,292	\$ 652,387	\$ 5,607,809
Depreciation	1,175,746	920,754	20,623	234,369
Totals	<u>\$ 32,181,234</u>	<u>\$ 25,666,046</u>	<u>\$ 673,010</u>	<u>\$ 5,842,178</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 15 - SCHEDULE OF EXPENSES (continued)

December 31, 2019	Total	Program		Management and General
		Services	Fundraising	
Salaries, benefits, and payroll taxes	\$ 22,369,343	\$ 18,767,488	\$ 460,245	\$ 3,141,610
Insurance expense	582,285	73,277	-	509,008
Professional services	642,121	297,814	-	344,307
Lease/rental expense	354,244	156,649	-	197,595
Food expense	779,193	779,193	-	-
Foster parent payments	1,914,425	1,914,425	-	-
Office and postage expense	198,163	80,248	18,572	99,343
Telephone	216,295	104,709	3,358	108,228
Travel and seminar	390,431	307,063	16,510	66,858
Training	80,884	47,953	-	32,931
Utilities	420,611	363,452	7,334	49,825
Repairs and maintenance	528,280	277,764	23,969	226,547
Supplies	487,647	470,840	11,402	5,405
Bad debt expense	31,167	-	-	31,167
Miscellaneous	746,109	411,000	106,475	228,634
Total before depreciation	\$ 29,741,198	\$ 24,051,875	\$ 647,865	\$ 5,041,458
Depreciation	1,066,962	938,382	23,468	105,112
Totals	\$ 30,808,160	\$ 24,990,257	\$ 671,333	\$ 5,146,570

NOTE 16 - NEW ACCOUNTING PRONOUNCEMENTS

During the year ended December 31, 2019, the Organization adopted FASB Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The new guidance establishes the principles to report useful information to users of financial statements about the nature, timing, and uncertainty of revenue from contracts with customers. The core principle of the guidance is that the Company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

To achieve that core principle, the Company applied the following steps:

- Step 1: Identified the contract(s) with a customer.
- Step 2: Identified the performance obligations in the contract.
- Step 3: Determined the transaction price.
- Step 4: Allocated the transaction price to the performance obligations in the contract.
- Step 5: Recognized revenue when (or as) the entity satisfied a performance obligation.

During the prior year, the Organization also adopted FASB Accounting Standards Update No. 2016-01, *Financial Instruments-Overall (Subtopic 825-10)*. The new guidance establishes the principles of presentation of financial assets and financial liabilities by measurement category and form of financial asset (that is, securities or loans and receivables) on the balance sheet or in the accompanying notes to the financial statements. That presentation provides financial statement users with more decision-useful information about the Organization's involvement in financial instruments.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2020****NOTE 17 - SUBSEQUENT EVENTS**

In accordance with ASC 855, the Organization evaluated subsequent events through September 27, 2021, the date these financial statements were available to be issued.

COVID-19

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, as of March 23, 2020, Governor Edwards of Louisiana ordered the closure of the physical location of every "non-life sustaining/non-essential" business for what may be an extended period of time. There has been an impact on our business. The Organization's facilities were closed to all nonessential visitors and the admission of new clients was suspended until May 13, 2020, when new admissions resumed with restrictive quarantine procedures. Future potential impacts may include continued disruptions or restrictions on employees' ability to work and impairment of the Organization's ability to obtain contributions and volunteers. The future effects of these issues are unknown.

Business continuity, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty. However, subsequent to December 31, 2019, the investment and credit markets have experienced significant volatility. As a result, a substantial portion of the Organization's investments have experienced significant declines and increases.

Hurricane Laura

On August 27, 2020, the community destruction caused by Hurricane Laura required the temporary suspension of residential services for children at the Methodist Children's Home of Southwest Louisiana in Sulphur, Louisiana. Following the Organization's Emergency Response Plan, residents of the southwest Louisiana facility were evacuated before Hurricane Laura's arrival and were subsequently admitted into the care of Louisiana Methodist Children's Home in Ruston. The Louisiana Department of Health issued an inactive license effective September 2, 2020 for ninety (90) days ending December 1, 2020, for the Sulphur campus.

NOTE 18 - LINE OF CREDIT

On March 12, 2020, the Organization signed a promissory note with the United Methodist Foundation of Louisiana in the amount of six million dollars (\$6,000,000) for the purpose of construction of the new Methodist Children's Home in Tangipahoa Parish. There were no borrowings against the line during the year ended December 31, 2020. Interest is payable monthly at a variable interest rate per annum based on the United Methodist Foundation of Louisiana Fixed Income Fund Rate of Interest, adjusted monthly plus 2%. One of the custodial accounts on deposit with the lender serves as collateral for this line of credit.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

NOTE 19 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	<u>2020</u>	<u>2019</u>
Financial assets at year-end	\$ 52,055,711	\$ 54,373,922
Less those unavailable for general expenditures within one year, due to donor restrictions (Note 11)	<u>(3,834,936)</u>	<u>(6,016,813)</u>
Financial asset available to meet cash needs for general expenditure within one year	<u>\$ 48,220,775</u>	<u>\$ 48,357,109</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short term investments.

SUPPLEMENTARY INFORMATION

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Federal CFDA Number	Program or Award Amount	Revenue Recognized	Expenditures
Federal Grants/Pass-Through Grantor/Program Title				
United States Administration for Children and Families, Department of Health and Human Services				
Louisiana Department of Children and Family Services, Office of Children and Family Services				
Independent Living Program - Monroe, LA (ended June 30, 2020)	93.674	\$ 72,894	\$ 52,753	\$ 74,063
Independent Living Program - Monroe, LA (ended June 30, 2021)	93.674	72,894	70,377	79,586
Independent Living Program - Covington, LA (ended June 30, 2020)	93.674	\$ 93,451	\$ 82,793	111,411
Independent Living Program - Covington, LA (ended June 30, 2021)	93.674	99,073	99,073	108,059
Independent Living Program - Lake Charles, LA (ended June 30, 2020)	93.674	\$ 66,448	\$ 41,790	66,591
Independent Living Program - Lake Charles, LA (ended June 30, 2021)	93.674	66,448	55,929	62,282
Independent Living Program - Lafayette, LA (ended June 30, 2020)	93.674	\$ 78,532	\$ 54,284	74,724
Independent Living Program - Lafayette, LA (ended June 30, 2021)	93.674	<u>78,532</u>	<u>65,622</u>	<u>69,219</u>
Subtotal		<u>\$ 628,272</u>	<u>\$ 522,621</u>	<u>\$ 645,935</u>
Provider Relief	93.498	<u>\$ 1,476,410</u>	<u>\$ 1,476,410</u>	<u>\$ 1,476,410</u>
United States Department of Justice Office of Justice Programs, Office for Victims of Crimes				
Louisiana Commission on Law Enforcement Child Victims' Assistance Program (ended June 30, 2021)				
Subtotal	16.575	<u>\$ 50,667</u>	<u>\$ 42,702</u>	<u>\$ 48,050</u>
		<u>\$ 50,667</u>	<u>\$ 42,702</u>	<u>\$ 48,050</u>
United States Administration for Children and Families, Department of Health and Human Services				
Social Services Block Grant - Foster Care Parent Support Organization Program (ended September 30, 2020)				
	93.667	\$ 187,500	\$ 165,768	\$ 169,987
Support Organization Program (ended September 30, 2021)	93.667	<u>62,500</u>	<u>\$ 54,652</u>	<u>\$ 52,236</u>
Subtotal		<u>\$ 250,000</u>	<u>\$ 220,420</u>	<u>\$ 222,223</u>
Total Federal Awards		<u>\$ 2,405,349</u>	<u>\$ 2,262,153</u>	<u>\$ 2,392,618</u>

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS****FOR THE YEAR ENDED DECEMBER 31, 2020**General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Organization.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Organization under programs of the federal government for the years ended December 31, 2020 and 2019. The information in this Schedule is presented in accordance with the requirements of Title 2, Part 200 of the Code of Federal Regulations (CFR), the *Uniform Administrative Requirements, Cost Principle, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

Basis of Accounting

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 reimbursements.

Payments to Sub-Recipients

There were no payments to sub-recipients for the year ended December 31, 2020.

Findings of Noncompliance

There were no federal awards findings or questioned costs reported during the audit for the year ended December 31, 2020.

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND REVENUE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Unrestricted Revenue and Support					
Contributions					
Contributions - undesignated	\$ 769,490	\$ 81,431	\$ 52,700	\$ 903,621	\$ 668,467
Memorials	29,641	-	10,645	40,286	99,165
Direct appeals	16,705	1,165	700	18,570	104,969
Sponsorships	75,408	-	1,930	77,338	160,723
Honorarium	2,920	-	200	3,120	34,920
United Way and other grants	2,307	-	-	2,307	2,321
Contributions - noncash	1,956	-	-	1,956	12,563
Total contributions	<u>\$ 898,427</u>	<u>\$ 82,596</u>	<u>\$ 66,175</u>	<u>\$ 1,047,198</u>	<u>\$ 1,083,128</u>
Children's Home offerings	<u>\$ 10,133</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,133</u>	<u>\$ 102,029</u>
Special events	<u>\$ 4,162</u>	<u>\$ 56,216</u>	<u>\$ -</u>	<u>\$ 60,378</u>	<u>\$ 70,936</u>
Child Care Support					
Child care support (TIPS)	\$ 38,539	\$ 5,398	\$ 3,663	\$ 47,600	\$ 44,753
PRTF revenue	12,189,434	2,490,942	2,355,788	17,036,164	19,965,909
Total child care support	<u>\$ 12,227,973</u>	<u>\$ 2,496,340</u>	<u>\$ 2,359,451</u>	<u>\$ 17,083,764</u>	<u>\$ 20,010,662</u>
Federal Funds					
HRSA CARES Act Provider Relief	<u>\$ 1,476,410</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,476,410</u>	<u>\$ -</u>
Independent Living Services (Federal Subgrant and Other)					
Independent living services	\$ 522,621	\$ -	\$ -	\$ 522,621	\$ 518,309
Total independent living services	<u>\$ 522,621</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 522,621</u>	<u>\$ 518,309</u>
Federal Subgrant					
Child abuse counseling	<u>\$ 42,702</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,702</u>	<u>\$ 37,981</u>
Family Plus Program	<u>\$ 21,395</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,395</u>	<u>\$ 59,199</u>
Family Development Services					
Client fees	\$ 86,208	\$ -	\$ -	\$ 86,208	\$ 121,190
United Way grants	42,000	-	-	42,000	40,411
Lincoln Health Foundation	138,551	-	-	138,551	174,100
Total family development services	<u>\$ 266,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266,759</u>	<u>\$ 335,701</u>
Medical and Nursing	<u>\$ 117,596</u>	<u>\$ 22,919</u>	<u>\$ 19,891</u>	<u>\$ 160,406</u>	<u>\$ 165,013</u>
Methodist Foster Care	<u>\$ 4,797,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,797,236</u>	<u>\$ 4,107,237</u>
Foster Care Grant	<u>\$ 220,420</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,420</u>	<u>\$ 23,507</u>
Trust Funds					
Marjorie D. Vickery Trust	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ 104,820
Pomeroy Trust	24,842	-	-	24,842	17,499
Conference Fund Trusts	45,462	20,263	5,032	70,757	74,599
Leake Trust	-	-	-	-	29,247
Ed and Gladys Hurley Trust	2,000	-	-	2,000	2,000
Total trust funds	<u>\$ 222,304</u>	<u>\$ 20,263</u>	<u>\$ 5,032</u>	<u>\$ 247,599</u>	<u>\$ 228,165</u>
Interest and dividends	<u>\$ 50,684</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,684</u>	<u>\$ 41,893</u>
Outdoor Wilderness Project income	<u>\$ 67,623</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,623</u>	<u>\$ 247,325</u>
Educational services	<u>\$ 524,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 524,700</u>	<u>\$ 572,735</u>
Miscellaneous income	<u>\$ 52,954</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,954</u>	<u>\$ 36,932</u>
Total unrestricted income	<u>\$ 21,524,099</u>	<u>\$ 2,678,334</u>	<u>\$ 2,450,549</u>	<u>\$ 26,652,982</u>	<u>\$ 27,640,752</u>

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

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Total Restricted Income					
Restrictions satisfied by payments	\$ 145,538	\$ -	\$ -	\$ 145,538	\$ 171,913
Expenses					
Administrative and General					
Salaries	\$ 1,140,964	\$ 191,651	\$ 231,080	\$ 1,563,695	\$ 1,474,598
Payroll taxes	80,079	14,040	16,429	110,548	99,626
Employee benefits	246,505	26,630	42,070	315,205	290,128
Advertising	120	-	-	120	4,562
Dues and licenses	8,380	675	890	9,945	22,550
Insurance	420,483	22,240	93,297	536,020	490,398
Office supplies	39,114	15,210	15,283	69,607	68,367
Postage	13,673	2,891	4,221	20,785	21,557
Professional services	83,515	5,250	5,250	94,015	101,280
Payroll -HR Solutions	31,010	-	-	31,010	-
Lease expense	-	199,044	-	199,044	197,595
Motor vehicle expense	4,396	-	-	4,396	4,898
Subscriptions	75	-	-	75	1,377
Telephone	31,735	17,593	27,411	76,739	89,588
In-service training	115	1,922	140	2,177	1,335
Travel and seminar	11,740	2,724	16,658	31,122	44,127
Board meeting expense	5,682	-	-	5,682	7,871
Utilities	25,871	24,000	-	49,871	49,825
Miscellaneous	7,597	1,040	3,094	11,731	11,120
Office and equipment maintenance contracts	2,458	1,321	2,922	6,701	7,258
Accreditation	11,008	-	-	11,008	-
Banking and processing fees	9,339	-	-	9,339	8,663
Bad debt expense	500,000	-	-	500,000	-
Total administrative and general	\$ 2,673,859	\$ 526,231	\$ 458,745	\$ 3,658,835	\$ 2,996,723
Human Resources					
Salaries	\$ 201,646	\$ -	\$ -	\$ 201,646	\$ 182,737
Payroll taxes	13,998	-	-	13,998	12,783
Employee benefits	47,507	-	-	47,507	64,745
Unemployment benefits	43,676	-	-	43,676	-
Advertising and promotion	18,855	-	-	18,855	22,183
Dues and licenses	219	-	-	219	797
Insurance	8,375	-	-	8,375	18,259
Office supplies	6,686	-	-	6,686	5,164
Training	6,862	-	-	6,862	9,392
Travel and seminar	28	-	-	28	1,741
Miscellaneous	21,945	-	-	21,945	23,810
Total human resources	\$ 369,797	\$ -	\$ -	\$ 369,797	\$ 341,611
Staff Development					
Salaries	\$ 213,877	\$ -	\$ -	\$ 213,877	\$ 220,804
Payroll taxes	14,999	-	-	14,999	15,622
Employee benefits	47,947	-	-	47,947	47,528
Advertising and promotion	660	-	-	660	1,953
Dues and licenses	-	-	-	-	371
Insurance	372	-	-	372	351
Office supplies	1,368	-	-	1,368	2,103
Training	20,262	-	-	20,262	22,204
Travel and seminar	1,642	-	-	1,642	6,741
Miscellaneous	21,727	-	-	21,727	30,950
Total staff development	\$ 322,854	\$ -	\$ -	\$ 322,854	\$ 348,627

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Information Management					
Salaries	\$ 318,561	\$ -	\$ -	\$ 318,561	\$ 317,349
Payroll taxes	22,167	-	-	22,167	21,862
Employee benefits	56,609	-	-	56,609	54,262
Office supplies	9,330	-	-	9,330	2,152
Telephone	27,820	-	-	27,820	18,640
Travel and seminar	10,192	-	-	10,192	9,226
Office equipment and maintenance	170,364	-	-	170,364	163,357
Miscellaneous	1,650	-	-	1,650	497
Total information management	<u>\$ 616,693</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 616,693</u>	<u>\$ 587,345</u>
Health Information System					
Salaries	\$ 294,806	\$ -	\$ -	\$ 294,806	\$ 278,905
Payroll taxes	21,422	-	-	21,422	20,343
Employee benefits	43,284	-	-	43,284	40,318
Electronic health records	63,158	-	-	63,158	61,554
Supplies	3,422	-	-	3,422	5,405
Travel and seminar	-	-	-	-	5,023
Miscellaneous	3,503	-	-	3,503	1,748
Total health information system	<u>\$ 429,595</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 429,595</u>	<u>\$ 413,296</u>
Total administrative and general	<u>\$ 4,412,798</u>	<u>\$ 526,231</u>	<u>\$ 458,745</u>	<u>\$ 5,397,774</u>	<u>\$ 4,687,602</u>
Plant Operation and Maintenance					
Salaries	\$ 371,521	\$ 73,973	\$ 75,414	\$ 520,908	\$ 486,441
Payroll taxes	26,926	5,280	5,372	37,578	34,412
Employee benefits	62,551	10,563	9,645	82,759	78,432
Contract for outside services	12,459	-	3,795	16,254	32,385
Repairs - buildings and grounds	110,415	3,005	76,302	189,722	222,755
Supplies	21,196	13,463	18,230	52,889	29,053
Utilities	18,460	-	67,140	85,600	71,830
Vehicle gas, oil, and repairs	10,587	4,095	8,482	23,164	24,812
Miscellaneous	2,179	2	867	3,048	6,142
Total plant operation and maintenance	<u>\$ 636,294</u>	<u>\$ 110,381</u>	<u>\$ 265,247</u>	<u>\$ 1,011,922</u>	<u>\$ 986,262</u>
Medical and Nursing					
Salaries	\$ 1,068,222	\$ 335,908	\$ 399,399	\$ 1,803,529	\$ 1,850,308
Payroll taxes	74,645	24,696	29,712	129,053	132,749
Employee benefits	177,929	18,093	34,372	230,394	224,655
Medical service - PRTF	11,178	84,806	45,526	141,510	154,561
Office supplies	13,215	435	-	13,650	7,717
Medical supplies - PRTF	57,390	14,934	17,640	89,964	35,325
Employee drug screens	4,691	1,250	-	5,941	2,464
OSHA required vaccination	-	-	-	-	471
Psychologist - PRTF	14,400	-	-	14,400	14,400
Physician - PRTF	18,000	-	-	18,000	18,000
Training	6,090	309	1,295	7,694	14,604
Miscellaneous	12,142	100	1,576	13,818	16,158
Total medical and nursing	<u>\$ 1,457,902</u>	<u>\$ 480,531</u>	<u>\$ 529,520</u>	<u>\$ 2,467,953</u>	<u>\$ 2,471,412</u>

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

Expenses	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Dietary					
Salaries	\$ 453,311	\$ -	\$ 119,847	\$ 573,158	\$ 577,359
Payroll taxes	32,406	-	8,229	40,635	41,773
Employee benefits	63,969	-	26,352	90,321	79,032
Food - PRIF	509,175	106,774	121,729	737,678	763,459
Food - special	1,133	1,078	-	2,211	15,734
Supplies	64,099	1,086	12,032	77,217	59,368
Dietitian	2,700	-	3,200	5,900	10,200
Miscellaneous	1,029	1	756	1,786	2,770
Total dietary	<u>\$ 1,127,822</u>	<u>\$ 108,939</u>	<u>\$ 292,145</u>	<u>\$ 1,528,906</u>	<u>\$ 1,549,695</u>
W. A. J. Lewis Building - PRIF					
Therapeutic and training:					
Salaries	\$ 1,517,908	\$ -	\$ -	\$ 1,517,908	\$ 1,409,103
Payroll taxes	110,654	-	-	110,654	103,070
Employee benefits	157,049	-	-	157,049	153,049
Motor vehicle	2,535	-	-	2,535	4,887
Utilities	31,556	-	-	31,556	32,310
Office supplies	10,848	-	-	10,848	19,078
Supplies	25,035	-	-	25,035	13,947
Laundry and linen	3,449	-	-	3,449	2,037
Telephone	7,222	-	-	7,222	-
Travel and seminar	7,030	-	-	7,030	3,594
Personal hygiene	4,933	-	-	4,933	4,564
Clothing	5,428	-	-	5,428	3,137
Miscellaneous	892	-	-	892	2,579
Recreational	5,299	-	-	5,299	4,230
Total W. A. J. Lewis Building	<u>\$ 1,889,838</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,889,838</u>	<u>\$ 1,755,585</u>
Scott Building - PRIF					
Therapeutic and training:					
Salaries	\$ 1,563,589	\$ -	\$ -	\$ 1,563,589	\$ 1,612,179
Payroll taxes	115,512	-	-	115,512	118,538
Employee benefits	148,310	-	-	148,310	156,663
Office supplies	11,472	-	-	11,472	7,599
Supplies	4,628	-	-	4,628	4,082
Travel and seminar	5,635	-	-	5,635	9,013
Activities	7,133	-	-	7,133	3,341
Housekeeping supplies	16,473	-	-	16,473	18,532
Linen and bedding	2,225	-	-	2,225	2,004
Utilities	54,869	-	-	54,869	60,562
Motor vehicles	4,954	-	-	4,954	6,865
Personal hygiene	5,540	-	-	5,540	4,946
Clothing	5,457	-	-	5,457	12,002
Miscellaneous	1,354	-	-	1,354	900
Total Scott Building	<u>\$ 1,947,151</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,947,151</u>	<u>\$ 2,017,226</u>
Residential - PRIF					
Administration:					
Salaries	\$ 174,730	\$ -	\$ -	\$ 174,730	\$ 132,343
Payroll taxes	10,655	-	-	10,655	8,420
Employee benefits	57,147	-	-	57,147	43,094
Office supplies	4,585	-	-	4,585	3,125
Travel and seminar	371	-	-	371	68
Telephone	-	-	-	-	262
Miscellaneous	3,439	-	-	3,439	16,067
Total administration expenses	<u>\$ 250,927</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,927</u>	<u>\$ 203,379</u>

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Residential - PRTF (continued)					
Therapeutic and training:					
Salaries - child care	\$ 2,290,484	\$ 920,583	\$ 1,040,909	\$ 4,251,976	\$ 4,357,803
Payroll taxes	167,584	66,320	75,935	309,839	316,712
Employee benefits	204,546	100,627	140,257	445,430	423,333
Supplies	22,425	1,440	3,902	27,767	39,891
Miscellaneous	929	646	2,477	4,052	8,405
Travel and seminar	11,273	987	2,839	15,099	28,982
Supplies - housekeeping	46,007	-	-	46,007	27,902
Linen and bedding	5,906	1,770	5,834	13,510	4,236
Motor vehicle expense	11,455	-	-	11,455	15,755
Utilities	41,076	-	-	41,076	44,176
Personal hygiene	10,756	4,286	7,860	22,902	20,856
Clothing	7,226	753	4,650	12,629	22,137
Activities	21,934	12,344	11,896	46,174	33,056
Total therapeutic and training	<u>\$ 2,841,601</u>	<u>\$ 1,109,756</u>	<u>\$ 1,296,559</u>	<u>\$ 5,247,916</u>	<u>\$ 5,343,244</u>
Total residential - PRTF	<u>\$ 3,092,528</u>	<u>\$ 1,109,756</u>	<u>\$ 1,296,559</u>	<u>\$ 5,498,843</u>	<u>\$ 5,546,623</u>
Recreational - PRTF					
Salaries	\$ 227,103	\$ -	\$ -	\$ 227,103	\$ 140,682
Payroll taxes	16,217	-	-	16,217	10,064
Employee benefits	40,123	-	-	40,123	33,070
Supplies	1,636	-	-	1,636	7,459
Activities	17,950	-	-	17,950	10,037
Training	957	-	-	957	4,030
Miscellaneous	538	-	-	538	1,577
Utilities	29,368	-	-	29,368	37,419
Total recreational - PRTF	<u>\$ 333,892</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 333,892</u>	<u>\$ 244,338</u>
Educational Services					
Howard School:					
Salaries	\$ 616,201	\$ -	\$ -	\$ 616,201	\$ 566,831
Payroll taxes	44,728	-	-	44,728	41,534
Employee benefits	94,172	-	-	94,172	82,542
Supplies	47,278	44	384	47,706	25,303
Miscellaneous	9,185	-	-	9,185	10,404
Utilities	17,857	-	-	17,857	19,519
Intranet	3,720	-	-	3,720	6,458
Total school services	<u>\$ 833,141</u>	<u>\$ 44</u>	<u>\$ 384</u>	<u>\$ 833,569</u>	<u>\$ 752,591</u>
Vocational Tech Program					
Salaries	\$ 131,065	\$ -	\$ -	\$ 131,065	\$ 145,354
Payroll taxes	9,731	-	-	9,731	10,912
Employee benefits	17,965	-	-	17,965	19,022
Supplies	9,402	-	-	9,402	7,080
Telephone	3,623	-	-	3,623	4,706
Vehicle	-	-	-	-	76
Utilities	8,595	-	-	8,595	8,964
Miscellaneous	679	-	-	679	2,641
Total vocational tech program	<u>\$ 181,060</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,060</u>	<u>\$ 198,755</u>
Total educational services	<u>\$ 1,014,201</u>	<u>\$ 44</u>	<u>\$ 384</u>	<u>\$ 1,014,629</u>	<u>\$ 951,346</u>

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Pastoral Care					
Salaries	\$ 73,569	\$ -	\$ 889	\$ 74,458	\$ 57,175
Payroll taxes	1,878	-	68	1,946	1,589
Employee benefits	33,558	-	18	33,576	31,236
Allowance	15,630	682	301	16,613	23,661
Housing allowance	7,200	-	-	7,200	14,400
Supplies	10,134	-	355	10,489	13,294
Activities	936	-	-	936	1,374
Training	-	-	-	-	1,726
Miscellaneous	2,454	-	1	2,455	1,754
Travel	400	-	-	400	8,568
Utilities	30,063	-	-	30,063	24,997
Church gifts to residents	19,112	465	997	20,574	33,118
Total pastoral care	<u>\$ 194,934</u>	<u>\$ 1,147</u>	<u>\$ 2,629</u>	<u>\$ 198,710</u>	<u>\$ 212,892</u>
Family Counseling Center					
Family counseling services:					
Salaries	\$ 283,903	\$ -	\$ -	\$ 283,903	\$ 338,744
Payroll taxes	20,603	-	-	20,603	23,731
Employee benefits	61,652	-	-	61,652	63,938
Advertising and promotion	959	-	-	959	15,069
Supplies	3,710	-	-	3,710	5,923
Banking and processing fees	1,947	-	-	1,947	2,522
Telephone	8,585	-	-	8,585	-
Travel & seminars	-	-	-	-	3,362
Professional training	3,223	-	-	3,223	13,116
Reboot camp	86	-	-	86	6,557
Electronic health records	-	-	-	-	527
Miscellaneous	8,090	-	-	8,090	10,819
Utilities	3,560	-	-	3,560	4,392
Total family counseling services	<u>\$ 396,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 396,318</u>	<u>\$ 488,700</u>
CVA Grant					
Salaries	\$ 39,858	\$ -	\$ -	\$ 39,858	\$ 37,376
Payroll taxes	3,037	-	-	3,037	2,830
Employee benefits	4,513	-	-	4,513	3,938
Supplies	641	-	-	641	1,593
Travel	-	-	-	-	-
Total CVA grant	<u>\$ 48,049</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,049</u>	<u>\$ 45,737</u>
Lincoln Health Foundation					
Salaries	\$ 139,276	\$ -	\$ -	\$ 139,276	\$ 129,068
Payroll taxes	10,309	-	-	10,309	9,166
Employee benefits	30,656	-	-	30,656	29,003
Advertising and promotion	700	-	-	700	4,000
Supplies	567	-	-	567	3,321
Professional services	5,087	-	-	5,087	35,860
Miscellaneous	283	-	-	283	161
Community event	1,219	-	-	1,219	5,669
Total Lincoln Health Foundation	<u>\$ 188,097</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188,097</u>	<u>\$ 216,248</u>
Total family counseling center	<u>\$ 632,464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 632,464</u>	<u>\$ 750,685</u>

- continued -

LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.

GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

Expenses	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Clinical Services					
Salaries	\$ 1,185,915	\$ 138,802	\$ 196,196	\$ 1,520,913	\$ 1,477,065
Payroll taxes	81,171	9,295	13,755	104,221	101,712
Employee benefits	236,731	33,453	26,888	297,072	272,130
Therapeutic supplies	2,100	554	2,765	5,419	9,010
Travel and seminars	8,431	144	9,586	18,161	58,016
Travel - court	42	-	-	42	6,688
Office supplies	9,693	-	-	9,693	8,609
Professional services	5,250	-	-	5,250	6,000
Utilities	4,721	-	-	4,721	4,955
Miscellaneous	17,929	-	916	18,845	17,103
Total clinical services	<u>\$ 1,551,983</u>	<u>\$ 182,248</u>	<u>\$ 250,106</u>	<u>\$ 1,984,337</u>	<u>\$ 1,961,288</u>
Independent Life Skills Services					
Monroe Region:					
Salaries	\$ 109,140	\$ -	\$ -	\$ 109,140	\$ 106,942
Payroll taxes	7,603	-	-	7,603	7,680
Employee benefits	17,565	-	-	17,565	16,324
Travel and seminars	1,644	-	-	1,644	8,088
Supplies	4,981	-	-	4,981	6,589
Postage	110	-	-	110	255
Miscellaneous	3,058	-	-	3,058	4,681
Vehicle	1,505	-	-	1,505	6,066
Telephone	4,111	-	-	4,111	3,832
Utilities	2,478	-	-	2,478	2,874
Total Monroe region	<u>\$ 152,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152,195</u>	<u>\$ 163,331</u>
Covington Region:					
Salaries	\$ 159,206	\$ -	\$ -	\$ 159,206	\$ 142,339
Payroll taxes	11,783	-	-	11,783	10,672
Employee benefits	12,319	-	-	12,319	9,096
Travel and seminars	3,934	-	-	3,934	6,074
Supplies	6,009	-	-	6,009	8,214
Rent	16,200	-	-	16,200	15,750
Miscellaneous	1,665	-	-	1,665	4,575
Telephone	5,443	-	-	5,443	5,155
Utilities	2,940	-	-	2,940	3,504
Total Covington region	<u>\$ 219,499</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,499</u>	<u>\$ 205,379</u>
Lake Charles Region:					
Salaries	\$ 85,012	\$ -	\$ -	\$ 85,012	\$ 65,714
Payroll taxes	5,677	-	-	5,677	4,477
Employee benefits	15,027	-	-	15,027	12,731
Travel and seminars	439	-	-	439	1,408
Supplies	1,376	-	-	1,376	1,583
Rent	15,975	-	-	15,975	16,200
Miscellaneous	106	-	-	106	3,309
Vehicle	1,484	-	-	1,484	-
Telephone	2,649	-	-	2,649	3,174
Utilities	1,157	-	-	1,157	1,099
Total Lake Charles region	<u>\$ 128,902</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,902</u>	<u>\$ 109,695</u>

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Independent Life Skills Services (continued)					
Lafayette Region:					
Salaries	\$ 97,936	\$ -	\$ -	\$ 97,936	\$ 86,745
Payroll taxes	6,813	-	-	6,813	6,179
Employee benefits	17,752	-	-	17,752	12,670
Travel and seminars	580	-	-	580	3,790
Supplies	2,159	-	-	2,159	1,762
Rent	14,075	-	-	14,075	11,850
Miscellaneous	509	-	-	509	5,322
Vehicle	1,285	-	-	1,285	-
Telephone	4,456	-	-	4,456	3,586
Utilities	-	-	-	-	453
Total Lafayette region	<u>\$ 145,565</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,565</u>	<u>\$ 132,357</u>
Total Independent Life Skills Services	<u>\$ 646,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 646,161</u>	<u>\$ 610,762</u>
Methodist Foster Care					
Salary	\$ 1,661,055	\$ -	\$ -	\$ 1,661,055	\$ 1,413,538
Payroll taxes	113,747	-	-	113,747	100,939
Employee benefits	268,809	-	-	268,809	196,275
Advertising/recruiting	34,395	-	-	34,395	25,399
Office supplies	31,888	-	-	31,888	33,865
Insurance	95,686	-	-	95,686	73,277
Rent/utilities	109,886	-	-	109,886	105,749
Miscellaneous	2,235	-	-	2,235	-
Telephone	61,071	-	-	61,071	58,265
Transportation/travel	97,825	-	-	97,825	159,925
Training	4,250	-	-	4,250	19,508
Foster parent daily rate	2,119,625	-	-	2,119,625	1,856,378
Reimbursements	84,193	-	-	84,193	58,047
Utilities	5,873	-	-	5,873	11,602
Total Methodist Foster Care	<u>\$ 4,690,538</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,690,538</u>	<u>\$ 4,112,767</u>
Foster Care Support					
Salary	\$ 163,286	\$ -	\$ -	\$ 163,286	\$ 23,709
Payroll taxes	11,649	-	-	11,649	1,408
Employee benefits	18,685	-	-	18,685	2,276
Office supplies	12,324	-	-	12,324	-
Miscellaneous	173	-	-	173	-
Telephone	1,528	-	-	1,528	164
Travel and seminars	14,578	-	-	14,578	708
Total Foster Care Support	<u>\$ 222,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222,223</u>	<u>\$ 28,265</u>
Outdoor Wilderness Learning Center					
Salaries	\$ 233,703	\$ -	\$ -	\$ 233,703	\$ 256,548
Payroll taxes	16,788	-	-	16,788	19,086
Employee benefits	51,117	-	-	51,117	57,218
Advertising	2,693	-	-	2,693	5,375
Training and challenge course	8,906	-	-	8,906	7,621
Telephone	12,124	-	-	12,124	13,568
Utilities	26,648	-	-	26,648	34,796
Supplies - O.W.L.	21,557	-	-	21,557	31,884
Supplies - farm	1,531	-	-	1,531	31,284
Equipment and building repairs	32,982	-	-	32,982	30,197
Salsa and jelly supplies	22,939	-	-	22,939	29,132
Miscellaneous	4,370	-	-	4,370	14,000
Vehicle cost	9,782	-	-	9,782	21,754
Total Outdoor Wilderness Learning Center	<u>\$ 445,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 445,140</u>	<u>\$ 552,463</u>

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Methodist Equine Program					
Salaries	\$ 120,083	\$ -	\$ -	\$ 120,083	\$ 113,286
Payroll taxes	8,825	-	-	8,825	8,058
Employee benefits	28,468	-	-	28,468	18,300
Advertising	609	-	-	609	612
Supplies	11,829	-	-	11,829	11,978
Travel and seminars	1,459	-	-	1,459	2,375
Veterinarian and ferrier	12,512	-	-	12,512	13,292
Miscellaneous	575	-	-	575	194
Total Methodist Equine Program	<u>\$ 184,360</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 184,360</u>	<u>\$ 168,095</u>
Development and Public Relations					
Salaries	\$ 374,220	\$ -	\$ -	\$ 374,220	\$ 371,411
Payroll taxes	26,900	-	-	26,900	27,280
Employee benefits	58,662	-	-	58,662	61,554
Advertising	10,417	-	-	10,417	771
Supplies	8,446	-	-	8,446	11,402
Telephone	3,355	-	-	3,355	3,358
Web page	3,052	-	-	3,052	604
Printing	45,000	-	-	45,000	61,030
Postage	16,013	-	-	16,013	18,572
Travel and seminars	15,113	-	-	15,113	16,510
Regional development activities	682	-	-	682	1,142
Special events	7,056	9,336	-	16,392	20,274
Software maintenance	29,972	-	-	29,972	23,969
Miscellaneous	8,130	-	-	8,130	12,963
Professional services	26,793	-	-	26,793	-
Utilities	6,209	-	-	6,209	7,334
Vehicle cost	3,031	-	-	3,031	9,691
Total Public Relations and Development	<u>\$ 643,051</u>	<u>\$ 9,336</u>	<u>\$ -</u>	<u>\$ 652,387</u>	<u>\$ 647,865</u>
Family Plus					
Shreveport region:					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 5,093
Payroll taxes	-	-	-	-	444
Employee benefits	-	-	-	-	466
Rent	-	-	-	-	2,000
Telephone	-	-	-	-	6,014
Travel and seminars	-	-	-	-	307
Training	-	-	-	-	255
Total Shreveport region	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,579</u>
Lake Charles region:					
Salaries	\$ 16,661	\$ -	\$ -	\$ 16,661	\$ 56,436
Payroll taxes	1,528	-	-	1,528	3,556
Employee benefits	6,615	-	-	6,615	22,093
Miscellaneous	-	-	-	-	1
Supplies	9	-	-	9	752
Telephone	2,410	-	-	2,410	5,983
Travel	-	-	-	-	31
Rent/utilities	3,000	-	-	3,000	5,100
Training	-	-	-	-	209
Total Lake Charles region	<u>\$ 30,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,223</u>	<u>\$ 94,161</u>
Total Family Plus	<u>\$ 30,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,223</u>	<u>\$ 108,740</u>

- continued -

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

**GENERAL OPERATING FUND EXPENSE DETAIL
STATEMENTS OF ACTIVITIES**

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Location			Totals	
	Ruston	GNO	Southwest	2020	2019
Expenses					
Advocacy and Community Development					
Salaries	\$ 13,064	\$ -	\$ -	\$ 13,064	\$ 14,294
Payroll taxes	915	-	-	915	902
Employee benefits	4,023	-	-	4,023	3,814
Miscellaneous	-	-	-	-	29
Supplies	-	-	-	-	1,026
Community events	-	-	-	-	3,365
	<u>\$ 18,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,002</u>	<u>\$ 23,430</u>
Total Advocacy and Community Development					
Capital Expenditures					
Equipment and trailers	\$ -	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	-	-	-	-	15,432
Building and improvements	12,500	-	2,710	15,210	31,014
	<u>\$ 12,500</u>	<u>\$ -</u>	<u>\$ 2,710</u>	<u>\$ 15,210</u>	<u>\$ 46,446</u>
Total Capital Expenditures					
Total Expenses	<u>\$ 25,184,005</u>	<u>\$ 2,528,613</u>	<u>\$ 3,098,045</u>	<u>\$ 30,810,663</u>	<u>\$ 29,433,787</u>

**LOUISIANA UNITED METHODIST CHILDREN
AND FAMILY SERVICES, INC.**

STATEMENTS OF CHANGES IN GENERAL FIXED ASSETS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Land and Improvements	Buildings and Improvements	Construction in Progress	Autos, Furniture, and Equipment	Total
December 31, 2020					
General Fixed Assets - Beginning of Year	\$ 2,759,341	\$ 22,792,519	\$ 2,025,613	\$ 3,660,208	\$ 31,237,681
Transfers	\$ -	\$ 1,611,578	\$ (1,615,333)	\$ 3,755	\$ -
Additions					
General operating fund	\$ -	\$ 15,210	\$ -	\$ -	\$ 15,210
Local investment fund	-	100,027	2,946,106	236,344	3,282,477
General fixed asset	-	-	-	-	-
Total additions	\$ -	\$ 115,237	\$ 2,946,106	\$ 236,344	\$ 3,297,687
Retirements					
General fixed assets	\$ (25)	\$ (65,720)	\$ -	\$ (210,038)	\$ (275,783)
General Fixed Assets - End of Year	<u>\$ 2,759,316</u>	<u>\$ 24,453,614</u>	<u>\$ 3,356,386</u>	<u>\$ 3,690,269</u>	<u>\$ 34,259,585</u>
	Land and Improvements	Buildings and Improvements	Construction in Progress	Autos, Furniture, and Equipment	Total
December 31, 2019					
General Fixed Assets - Beginning of Year	\$ 2,759,341	\$ 22,779,004	\$ 463,006	\$ 3,816,591	\$ 29,817,942
Transfers	\$ -	\$ -	\$ (27,840)	\$ 27,840	\$ -
Additions					
General operating fund	\$ -	\$ 31,014	\$ 3,755	\$ 11,677	\$ 46,446
Local investment fund	-	125,544	1,586,692	290,391	2,002,627
General fixed asset	-	-	-	-	-
Total additions	\$ -	\$ 156,558	\$ 1,590,447	\$ 302,068	\$ 2,049,073
Retirements					
General fixed assets	\$ -	\$ (143,043)	\$ -	\$ (486,291)	\$ (629,334)
General Fixed Assets - End of Year	<u>\$ 2,759,341</u>	<u>\$ 22,792,519</u>	<u>\$ 2,025,613</u>	<u>\$ 3,660,208</u>	<u>\$ 31,237,681</u>

OTHER SUPPLEMENTARY INFORMATION

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

To the Organization of Directors of
Louisiana United Methodist Children and Family Services, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Louisiana United Methodist Children and Family Services, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and 2019; the related statements of activities and cash flows for the years ended December 31, 2020 and 2019, as listed in the table of contents; and the related notes to the financial statements, and have issued our report thereon dated September 27, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Louisiana United Methodist Children and Family Services, Inc.'s (the Organization) internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we considered to be a material weakness or significant deficiency. However, material weaknesses or significant deficiencies may exist that have not been identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization'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. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this communication is distributed by the Louisiana Legislative Auditor as a public document.

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

Monroe, Louisiana
September 27, 2021

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

To the Organization of Directors of
Louisiana United Methodist Children and Family Services, Inc.

Report on Compliance for Each Major Federal Program

We have audited Louisiana United Methodist Children and Family Services, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Louisiana United Methodist Children and Family Services, Inc.'s major federal programs for the year ended December 31, 2020. Louisiana United Methodist Children and Family Services, Inc.'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 Louisiana United Methodist Children and Family Services, Inc.'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 United States 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 Louisiana United Methodist Children and Family Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Louisiana United Methodist Children and Family Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Louisiana United Methodist Children and Family Services, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of Louisiana United Methodist Children and Family Services, Inc., is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Louisiana United Methodist Children and Family Services, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Louisiana United Methodist Children and Family Services, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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.

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

Monroe, Louisiana
September 27, 2021

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | | |
|----|--|---------------|
| 1. | Type of auditor's report issued on the financial statements: | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. | Material noncompliance relating to the financial statements? | No |

Federal Awards:

- | | | |
|----|---|---------------|
| 1. | Type of auditor's report issued on compliance for major programs: | Unmodified |
| 2. | Internal control over major Federal programs: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| | c. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | No |
| 3. | Identification of major programs: | |

CFDA Numbers

93.674
93.498

Name of Federal Program or Cluster

U.S. Department of Health and Human Services:
Independent Living Program
Provider Relief - CARES ACT

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualifies as low-risk auditee?

No

State Awards:

- | | | |
|----|--|---------------|
| 1. | Type of auditor's report issued on compliance for major programs: | Unmodified |
| 2. | Internal control over major State programs: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| | c. Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act? | No |

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION II: FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements for the year ended December 31, 2020.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

SECTION IV: STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | |
|--|---------------|
| 1. Type of auditor's report issued on the financial statements: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. Material noncompliance relating to the financial statements? | No |

Federal Awards:

- | | |
|---|---------------|
| 1. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 2. Internal control over major Federal programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| d. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | No |

3. Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

93.674

U.S. Department of Health and Human Services:
Independent Living Program

93.667

Foster Parent Support Organization Program

16.575

U.S. Department of Justice Office:
Child Abuse Counseling Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualifies as low-risk auditee?

No

State Awards:

- | | |
|--|---------------|
| 1. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 2. Internal control over major State programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| d. Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act? | No |

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION II: FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements for the year ended December 31, 2019.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

SECTION IV: STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

LOUISIANA UNITED METHODIST CHILDREN AND FAMILY SERVICES, INC.
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2020

Agency Head Name: Rick Wheat, President and CEO

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 165,056
Benefits - insurance	28,824
Benefits - retirement	9,903
Benefits - FICA	10,920
Car allowance	N/A
Vehicle provided by Organization	N/A
Per diem	N/A
Reimbursements	N/A
Travel	326
Registration fees	N/A
Conference travel	N/A
Continuing professional education fees	N/A
Housing	N/A
Unvouchered expenses	N/A
Special meals	N/A